

Two stories about data and sport

Luck and the Law

Sports During a Pandemic

Peko Hosoi



Sports Lab
Massachusetts Institute of Technology





Fantasy sports primer ...





Fantasy sports primer ...

How to play fantasy sports

Step 1: Form a league



How to play fantasy sports









Step 1: Form a league



Step 2: Draft your team



FWD	FWD	FWD
MID	MID	MID
DEF	DEF	GK

FANDUEL		
	FWD Z Ibrahimovic MID @ MUN Sat 10am ET	\$13,500
	FWD S Vokes SUN @ BRN Sat 10am ET	\$6,900
	MID E Hazard STK @ CHE Sat 10am ET	\$10,500
	MID M Phillips WBA @ SOU Sat 10am ET	\$6,300
	MID J Ward-Prowse WBA @ SOU Sat 10am ET	\$5,800
	DEF P van Aanholt SUN @ BRN Sat 10am ET	\$5,900
	DEF N Aké BOU @ SWA Sat 10am ET	\$6,100
	GK V Mannone SUN @ BRN Sat 10am ET	\$5,000

Name

Position

"Salary"









How to play fantasy sports

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How to play fantasy sports









Step 1: Form a league



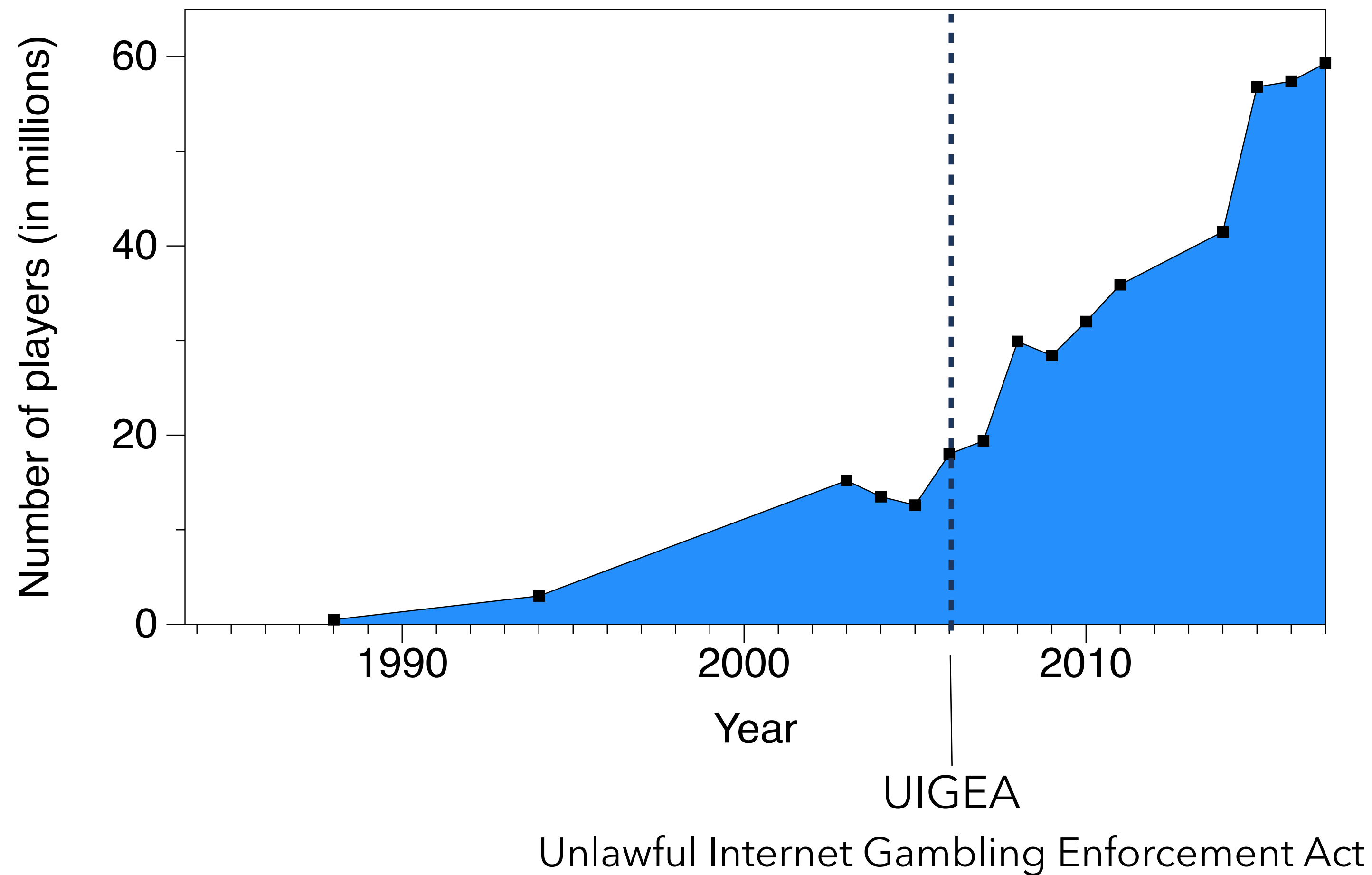
Step 2: Draft your team



Step 3: Watch football! Score points based on athlete performance

FANDUEL		
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Recent history of fantasy sports



Daily Fantasy Sports



Legal debate: Is is gambling?

(1) Bet or wager.—The term “bet or wager”—

(E) does **not** include—

(ix) participation in any fantasy or simulation sports game ... in which ... no fantasy or simulation sports team is based on the current membership of an actual team ... and that meets the following conditions:

(II) All winning outcomes reflect **the relative knowledge and skill of the participants and are determined predominantly by accumulated statistical results** of the performance of individuals (athletes in the case of sports events) in multiple real-world sporting or other events.

The data

Types of contest: 50/50 and head-to-head

	MLB	NBA	NFL	NHL
#plrs (H2H)	89,338	107,796	190,562	20,802
#plrs (50/50)	130,515	158,532	312,263	30,607
Max games/plr	686	383	155	271
Max entries/plr	60,200	64,287	49,657	21,209



29,299,240 entries

Each entry contains:

- Player ID
- Game ID
- # of entries
- win fraction
- average points scored
- max points scored
- ...

Detecting games of chance

Is Texas Hold ‘Em a Game of Chance? A Legal and Economic Analysis

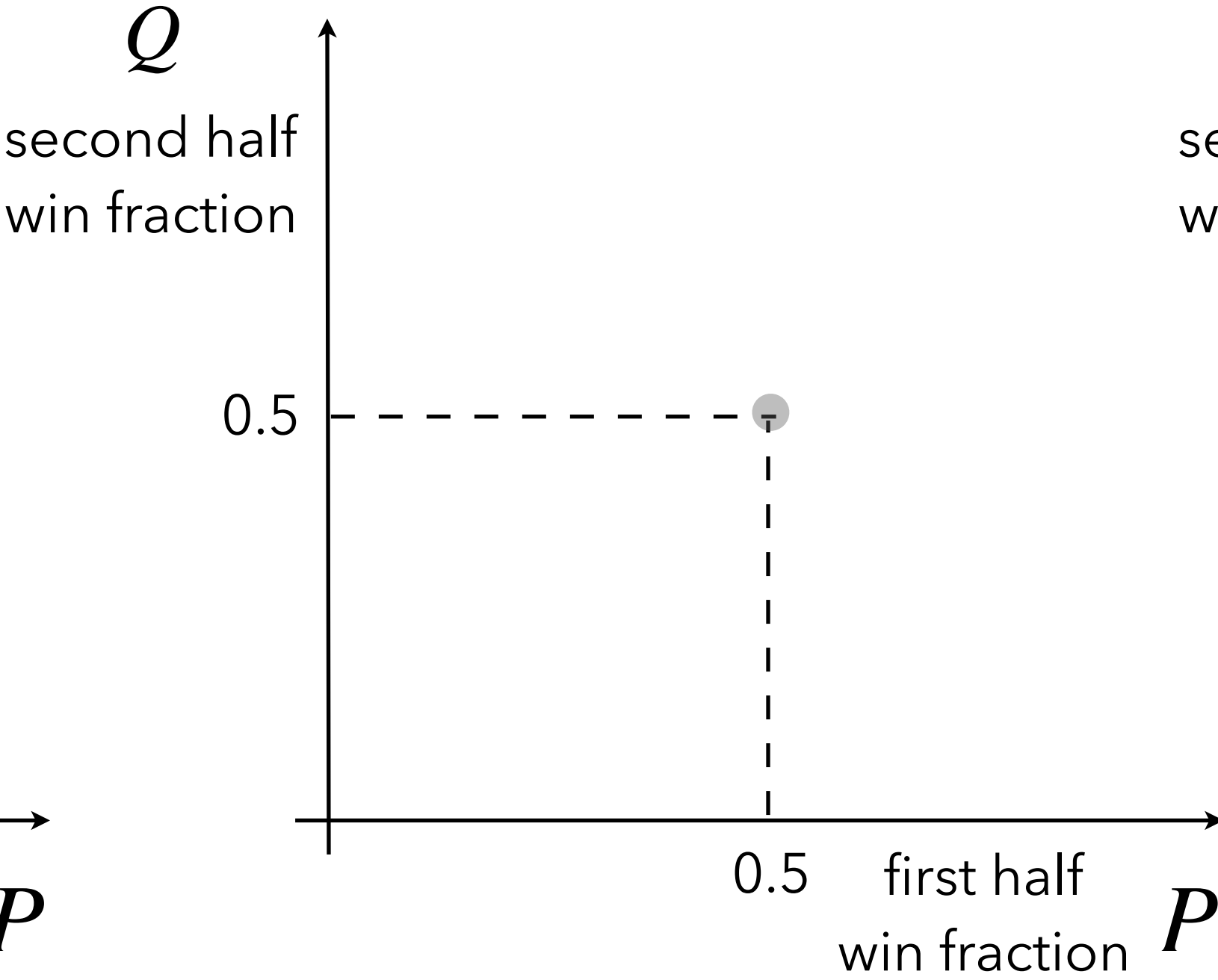
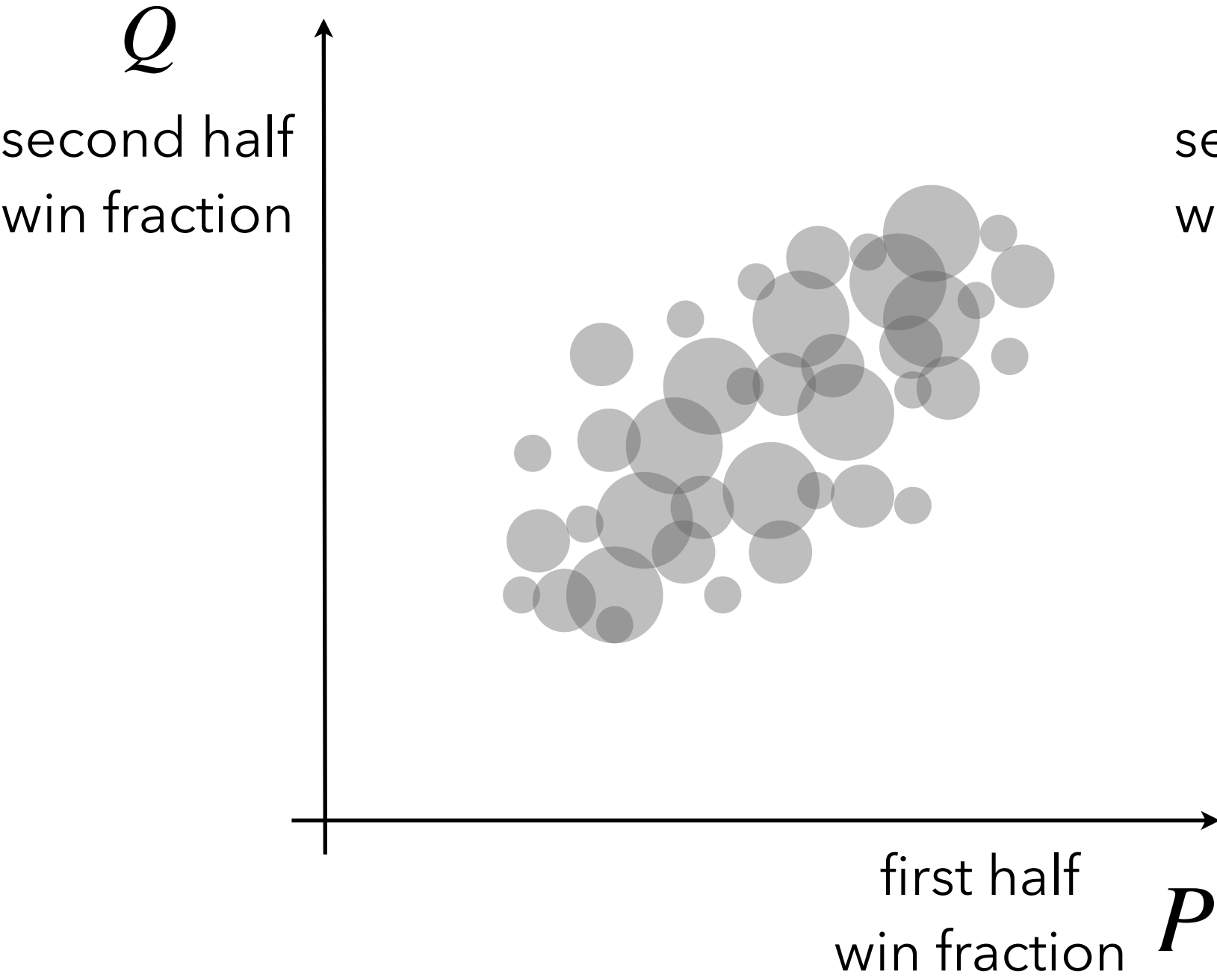
STEVEN D. LEVITT, THOMAS J. MILES, AND ANDREW M. ROSENFELD*

THE GEORGETOWN LAW JOURNAL

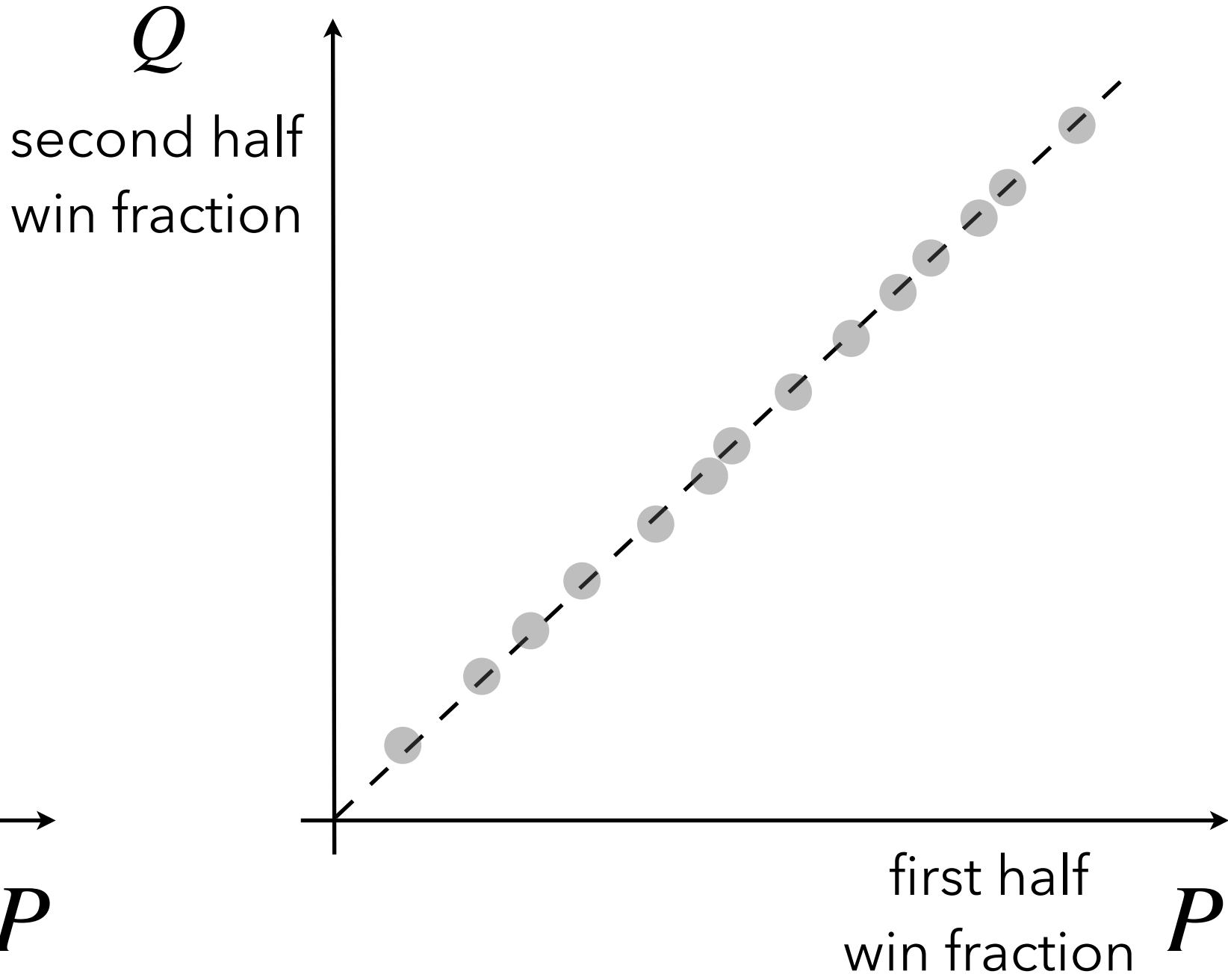


1. Do players have different expected payoffs when playing the game?
2. Do observable characteristics of the player correlate with the payoffs they receive?
3. Do actions that players take in the game have statistically significant impacts on the payoffs that are achieved?
4. Are payoffs serially correlated (implying a persistence of skill)?

Limits of luck- and skill-dominated games

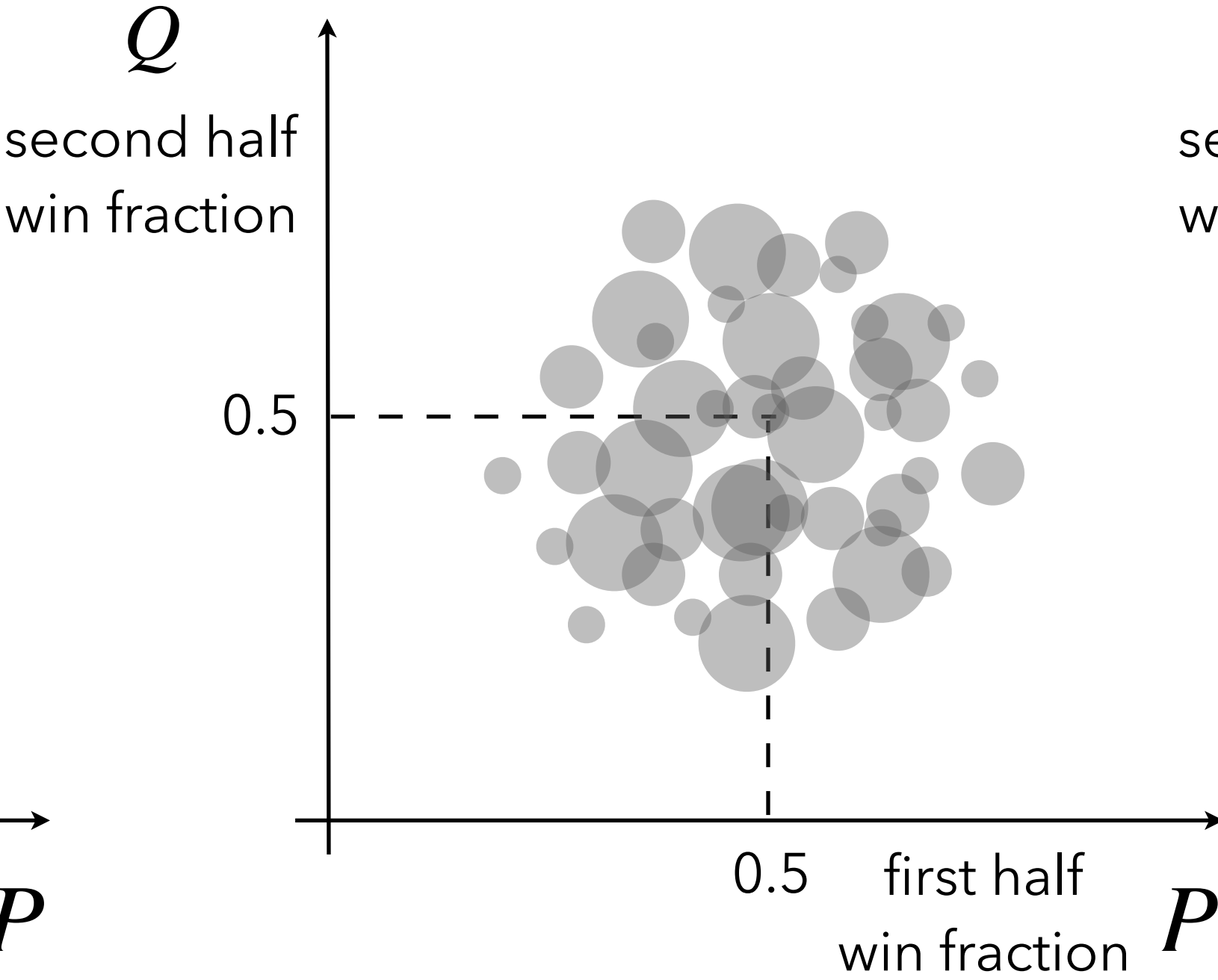
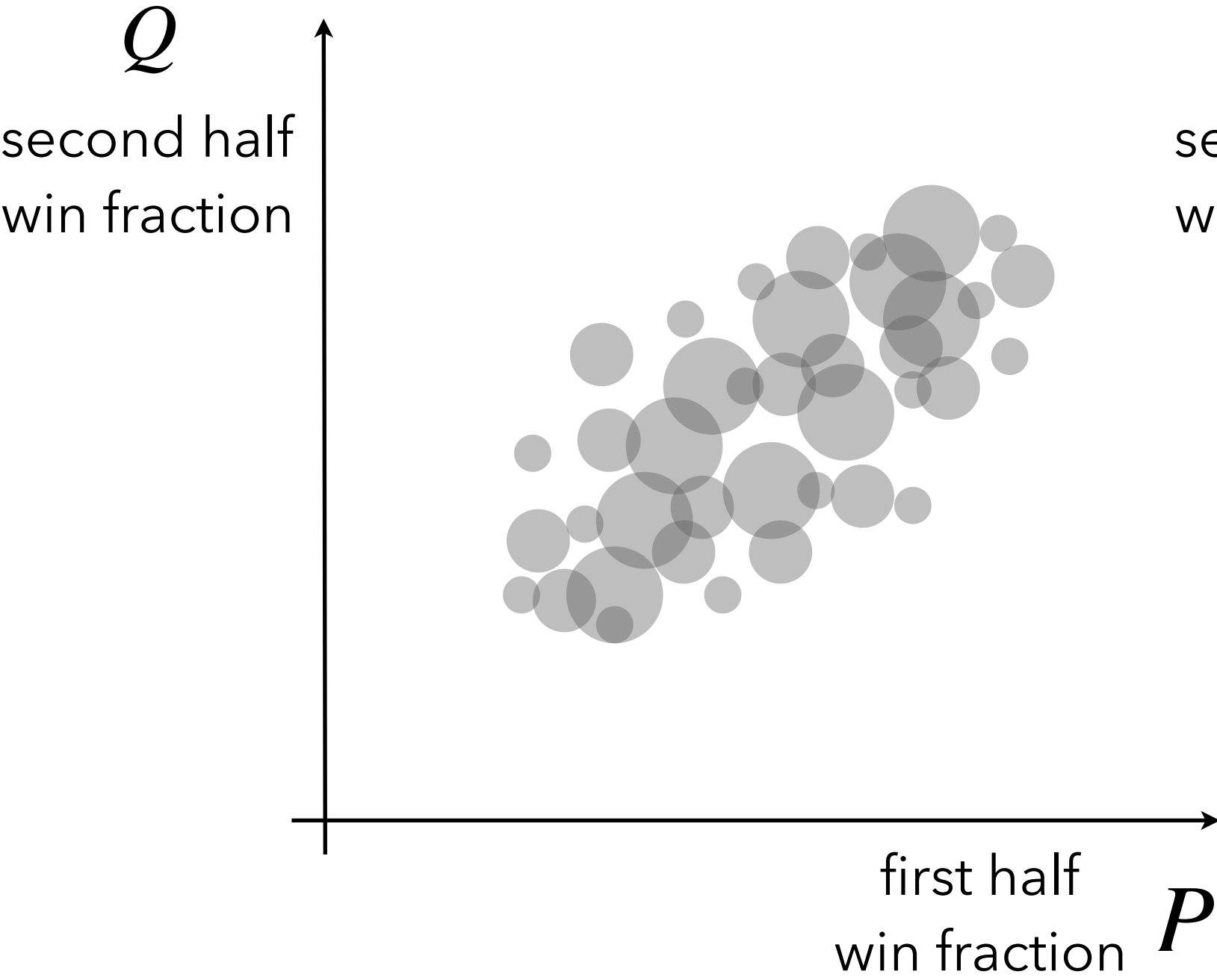


Luck

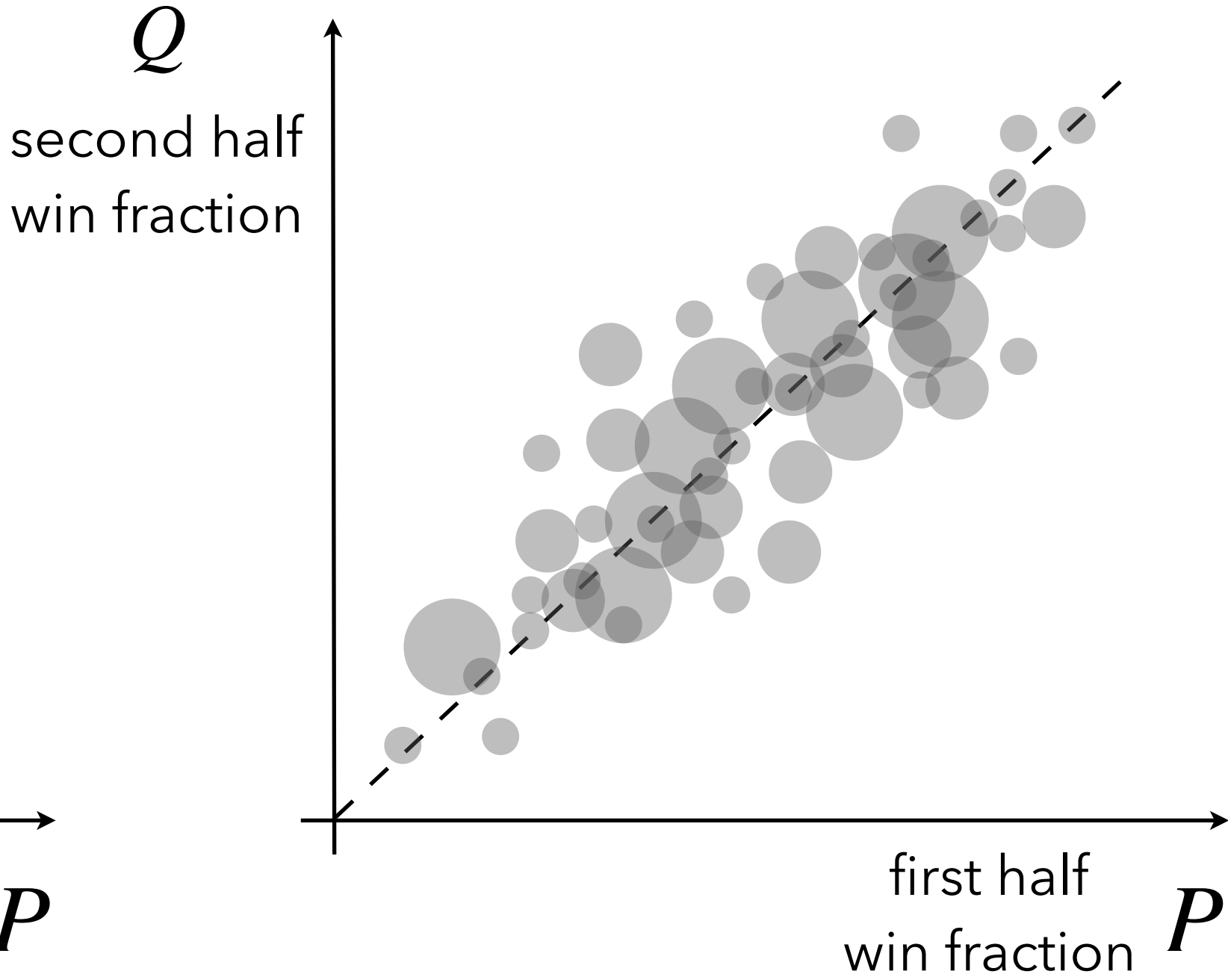


Skill

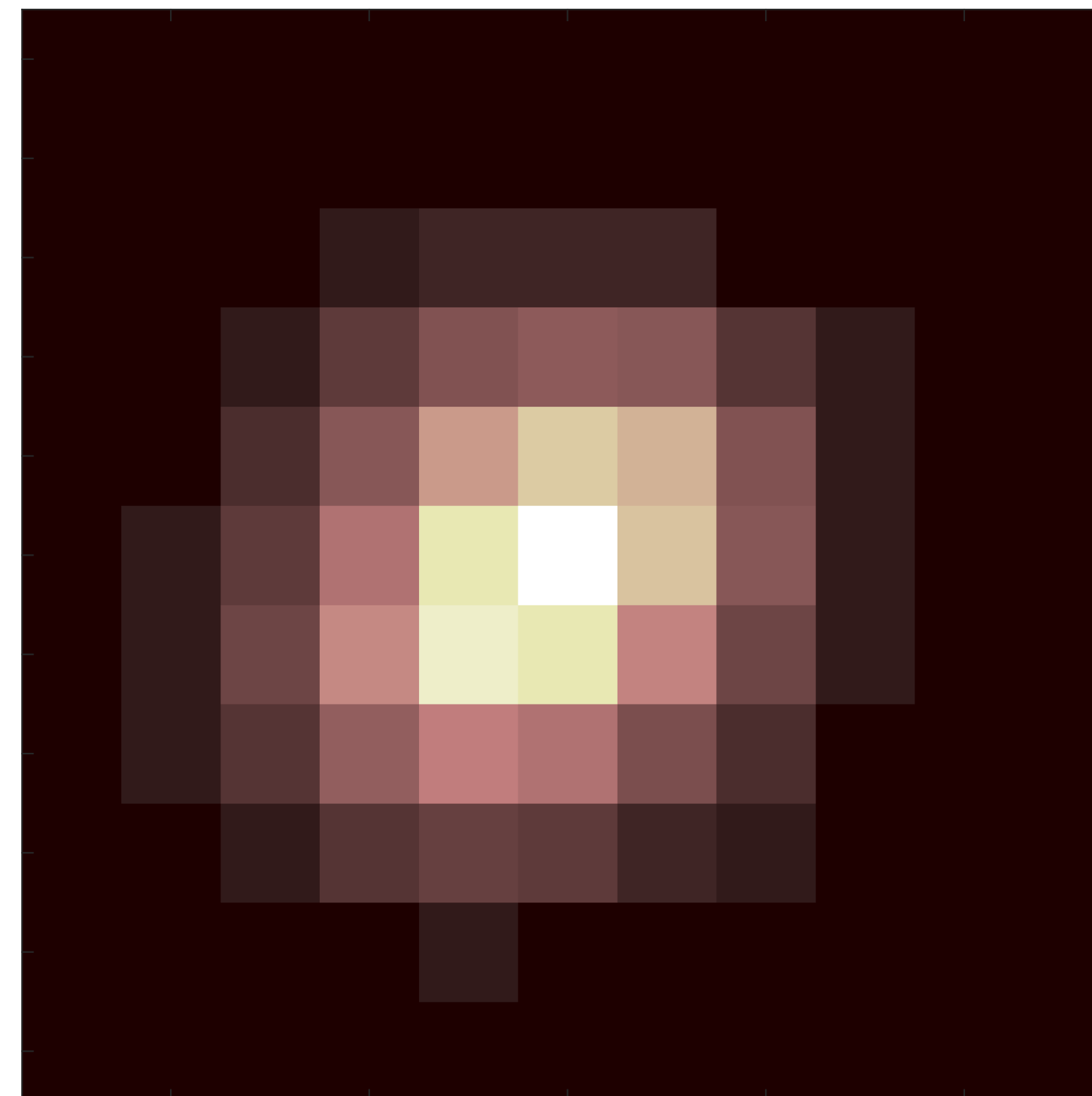
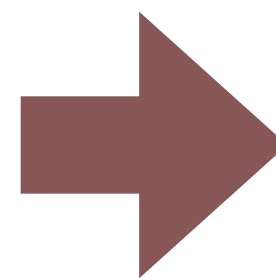
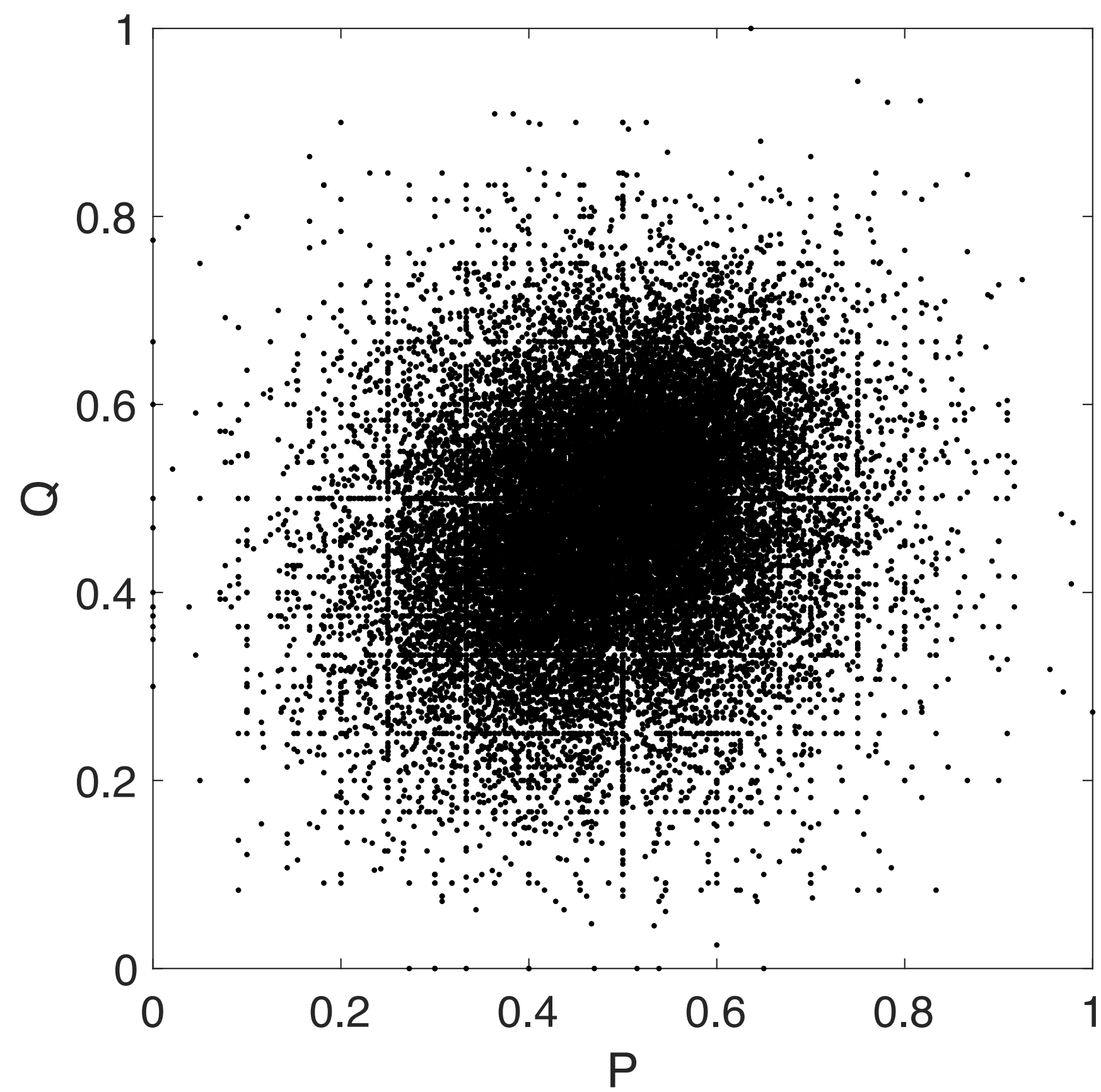
Limits of luck- and skill-dominated games



Luck



Skill



N = 4



MLB



NBA



NFL

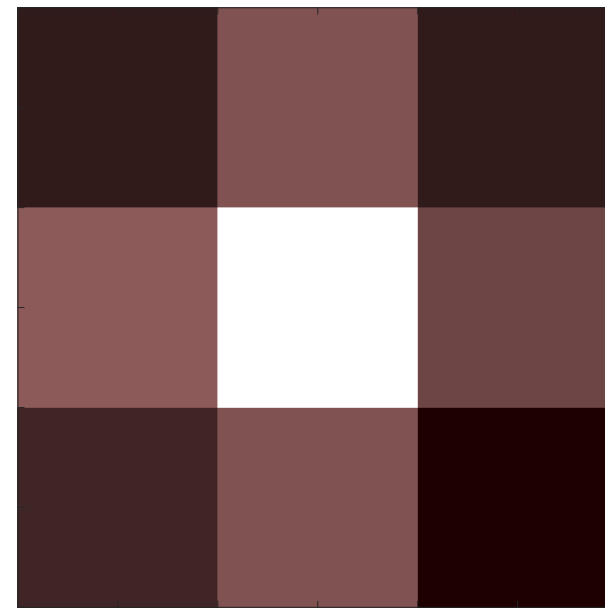


NHL

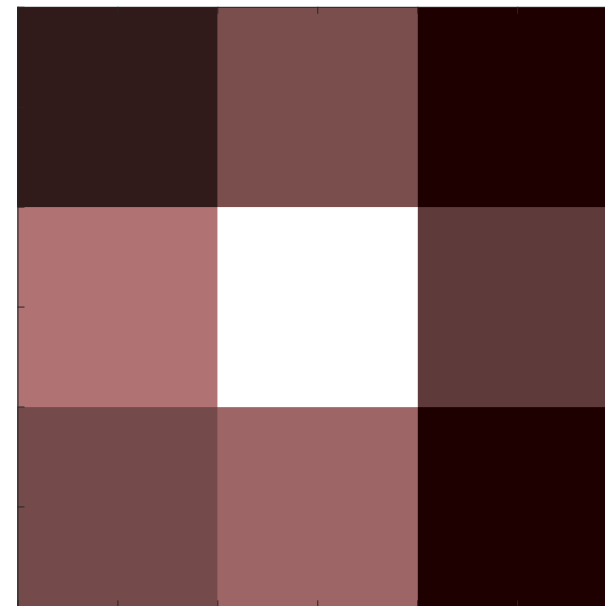
$N = 4$



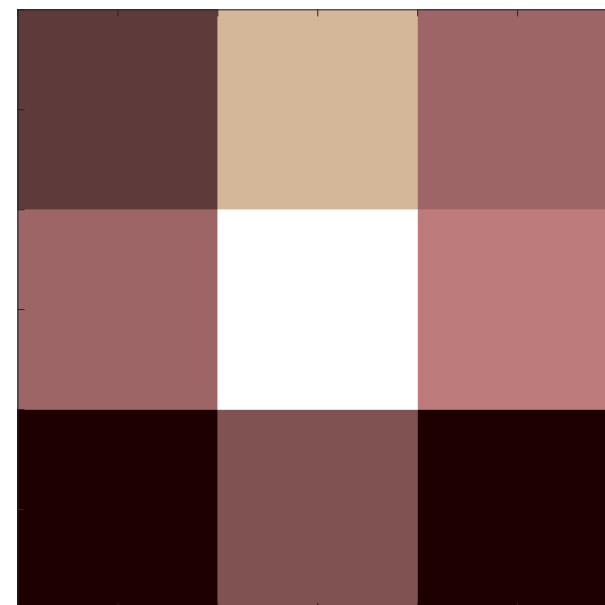
MLB



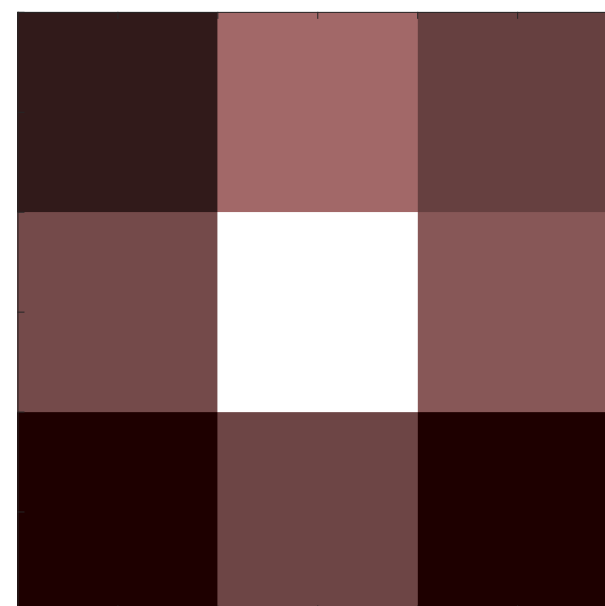
NBA



NFL



NHL



“Even tiny differences in skill manifest themselves in near certain victory if the time horizon is long enough.”

– Levitt, Miles, Rosenfield (2012)

$N = 4$

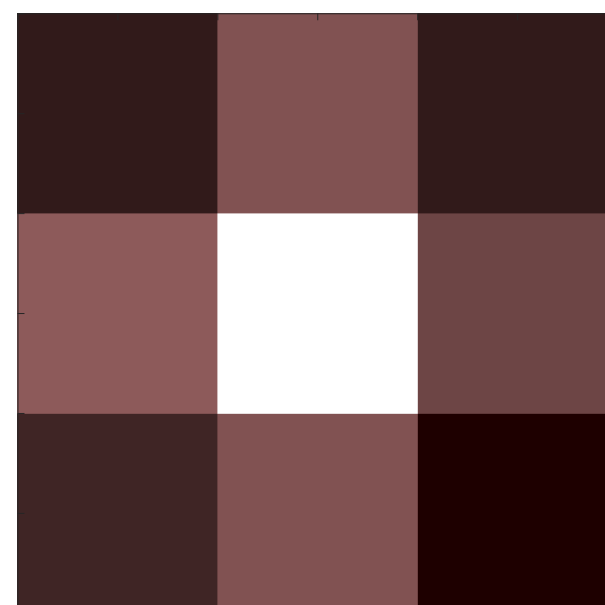
$N = 16$

$N = 64$

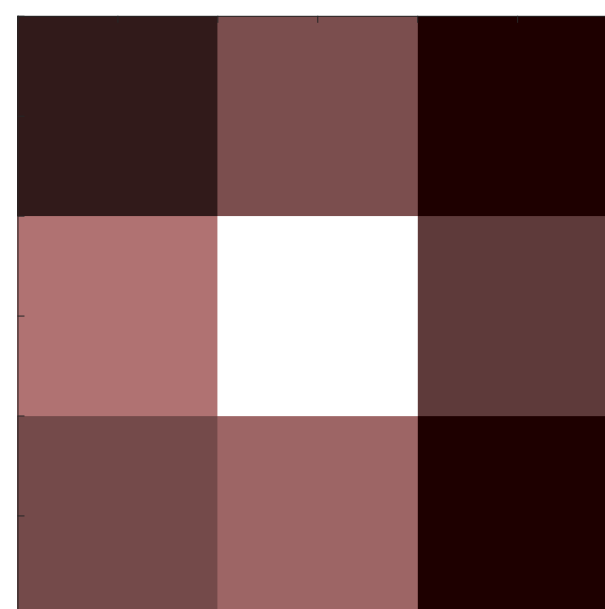
$N = N_{\text{Real}}$



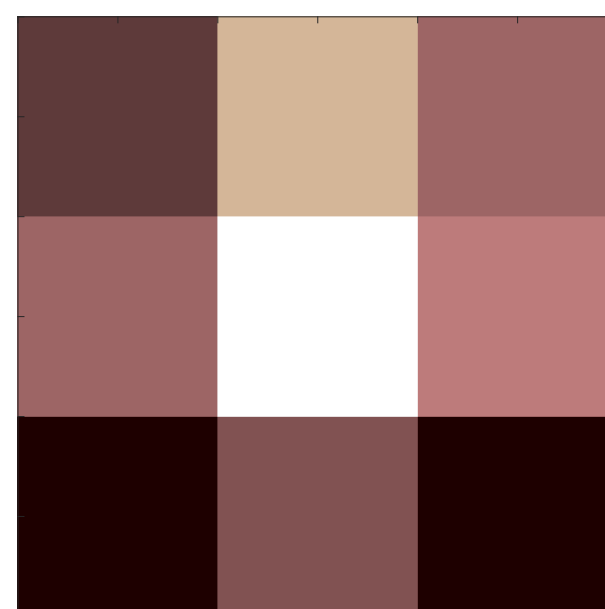
MLB



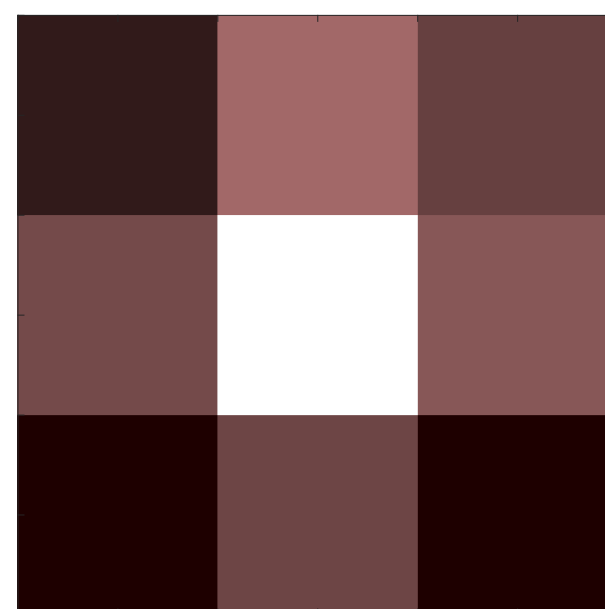
NBA



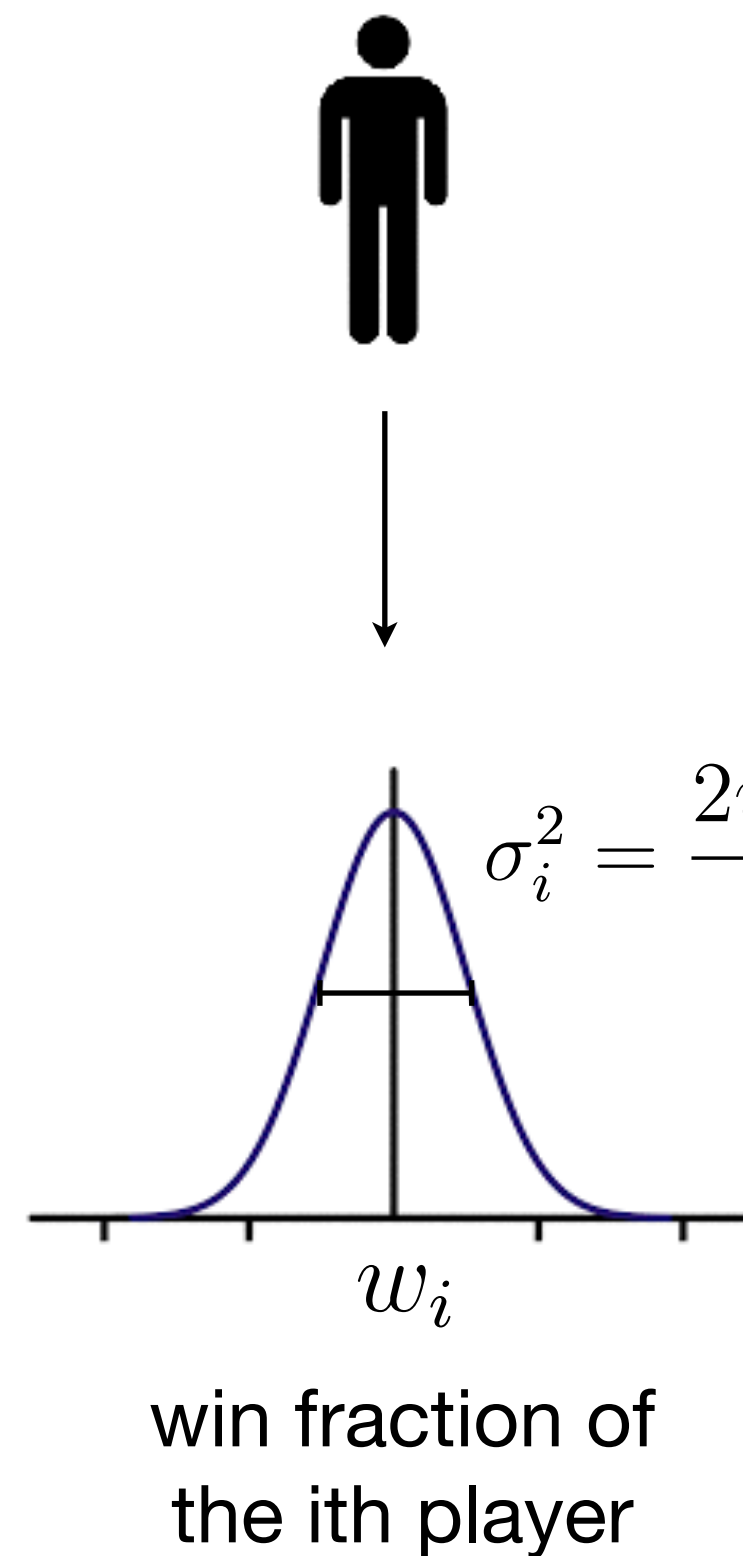
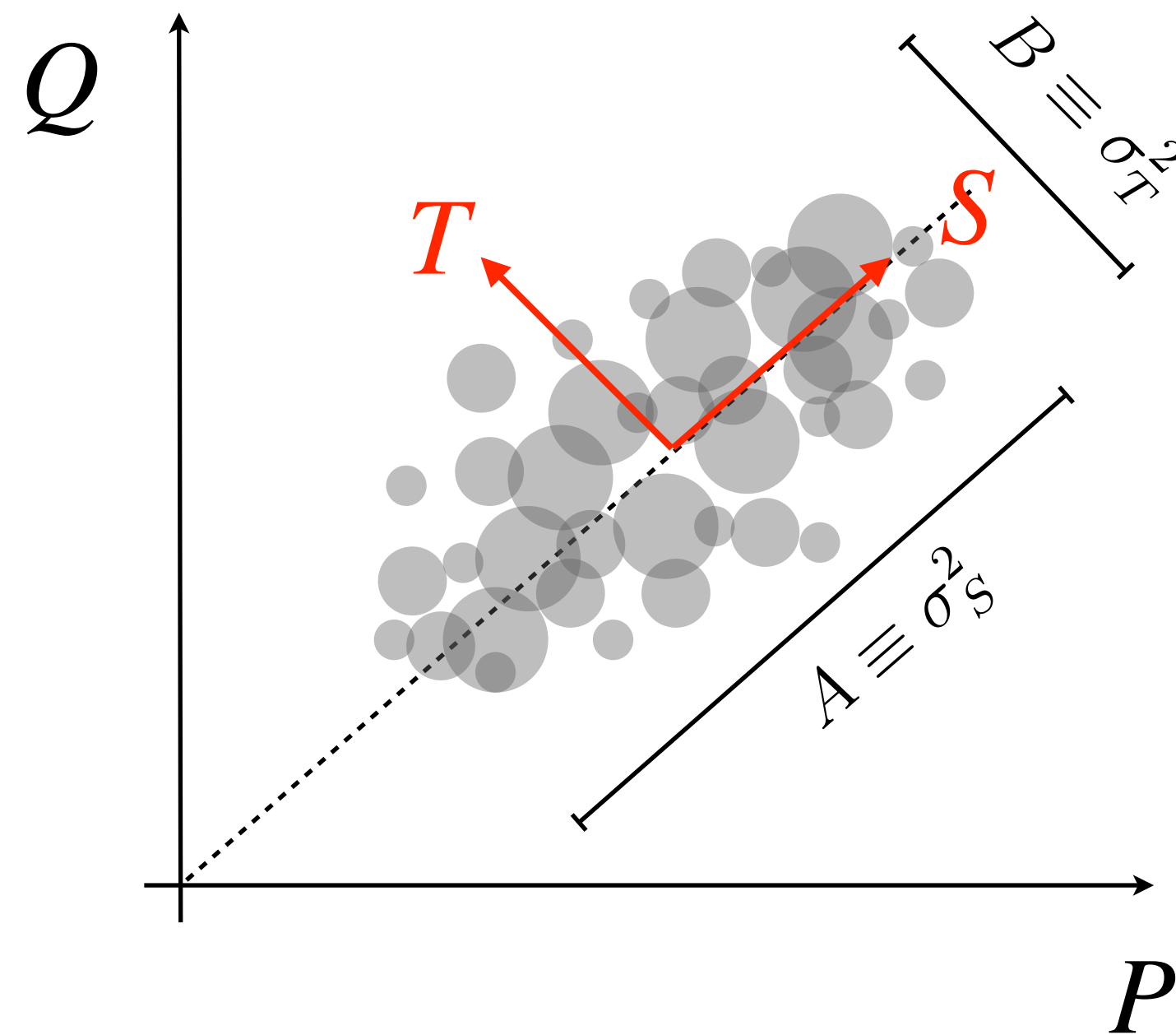
NFL



NHL



Quantifying the role of skill

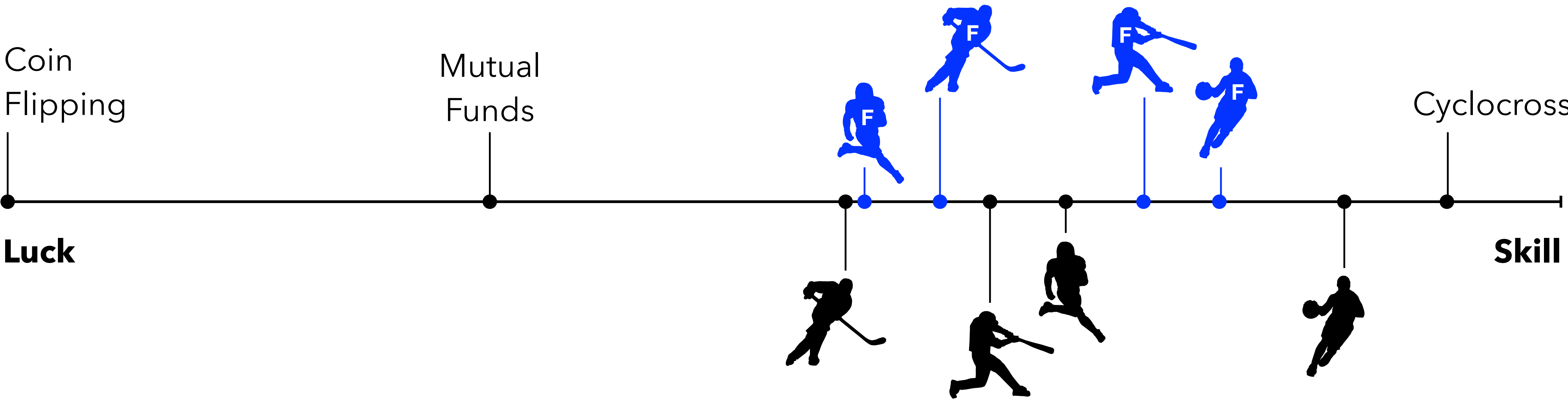


Estimate the expected value of R^* (and other quantities) if a large number of seasons were played with the same player population.

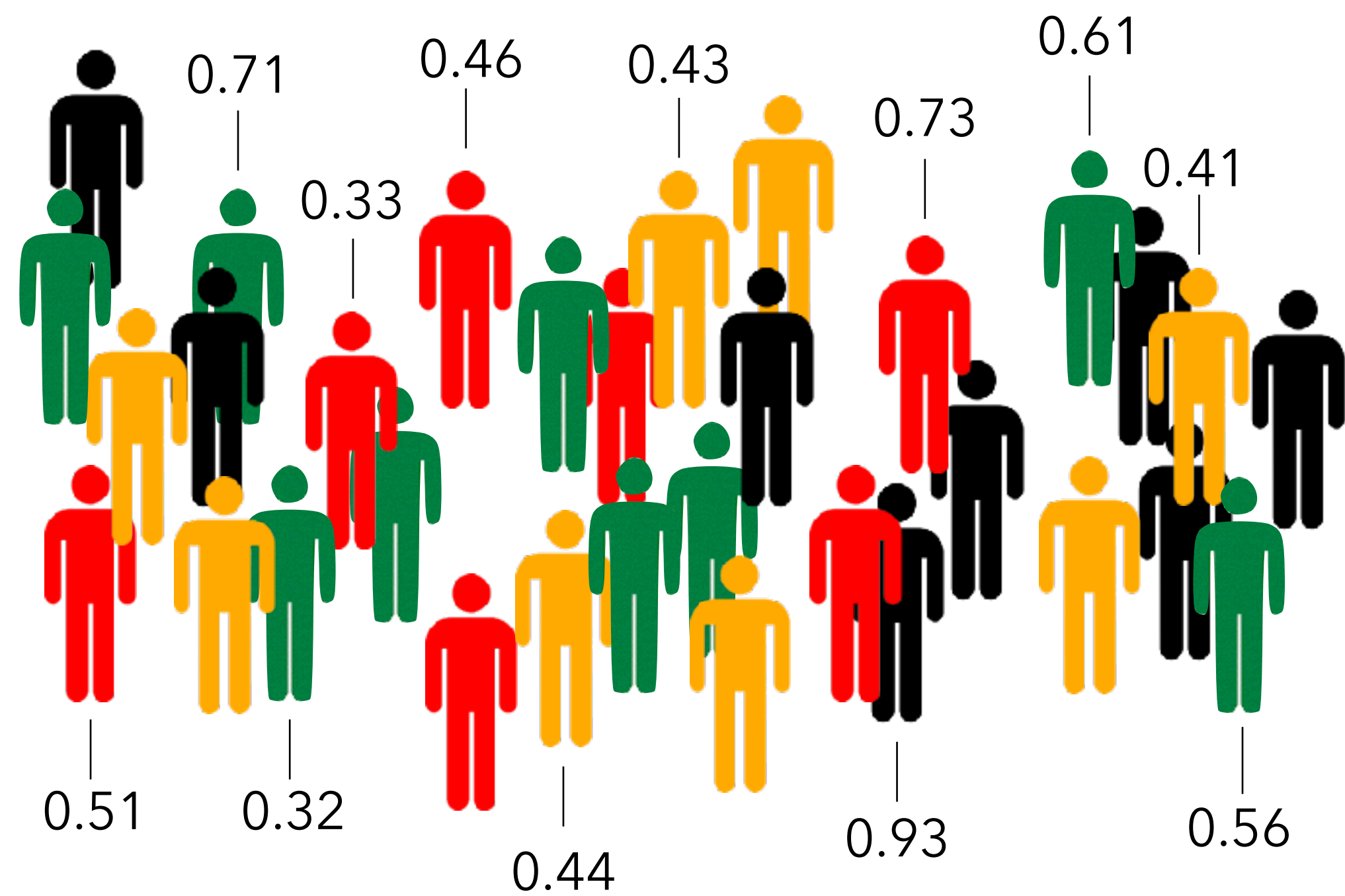
1. Monte Carlo
2. Analytical estimate

$$E[\hat{R}^*] = 1 - \left[1 + \frac{1}{m} \sum_{i=1}^m \frac{(2\hat{w}_i - 1)^2 n_i}{2\hat{w}_i(1 - \hat{w}_i)} \right]^{-1}$$

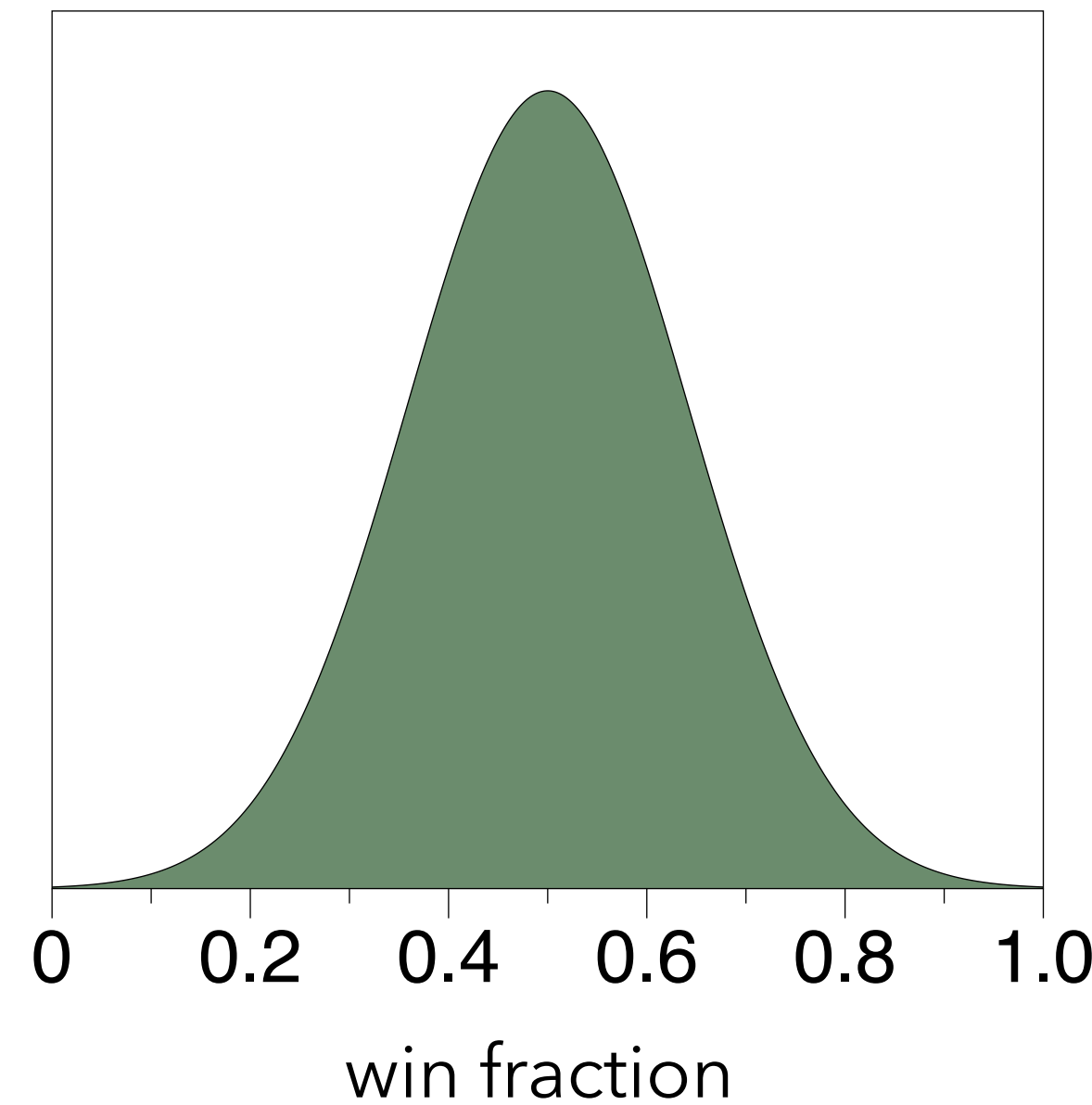
Skill-Luck Spectrum



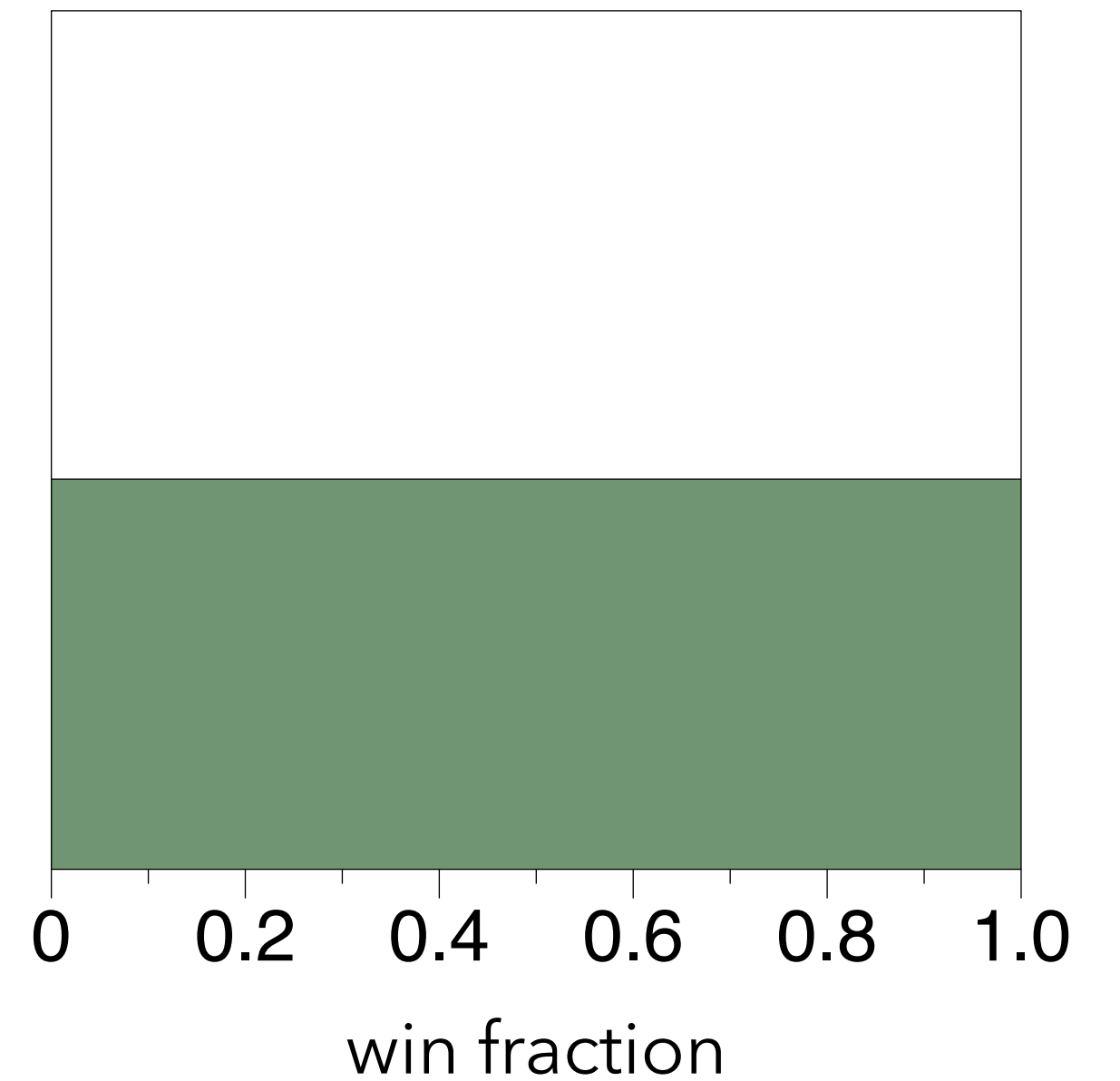
A Comment on Bayesian Inference



Luck likelihood



Skill likelihood



$$P(\text{Skill} | w_i) = \frac{P(w_i | \text{Skill})P(\text{Skill})}{P(w_i)}$$

Probability that this is a
game of skill

Luck and the Law: Quantifying Chance in Fantasy Sports and Other Contests*

Daniel Getty[†]

Hao Li[‡]

Masayuki Yano[§]

Charles Gao[¶]

A. E. Hosoi^{||}

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

FANDUEL INC.,

Plaintiff,

-against-

ERIC SCHNEIDERMAN, in his official capacity
as Attorney General of the State of New York, and
the STATE OF NEW YORK,

Defendants.

Index No. 161691/2015

Motion Sequence No. 1

IAS Part 13 (Justice Mendez)

AFFIDAVIT OF PROFESSOR ANETTE (PEKO) HOSOI

Note: FanDuel is also filing this affidavit in *People by Schneiderman v. FanDuel, Inc.*, Index No. 453056/2015.



**Is it ok to have
sports fans in
stadiums during a
pandemic?**

Of the 32 teams in the NFL, 19 have opened their stadiums to fans at some point this season.



"Safe Stadium Policy"

- Limited capacity (most operating at ~15%)
- Masks required when not eating or drinking
- Seating in family "pods"
- Cashless purchasing only
- Socially distanced entry points

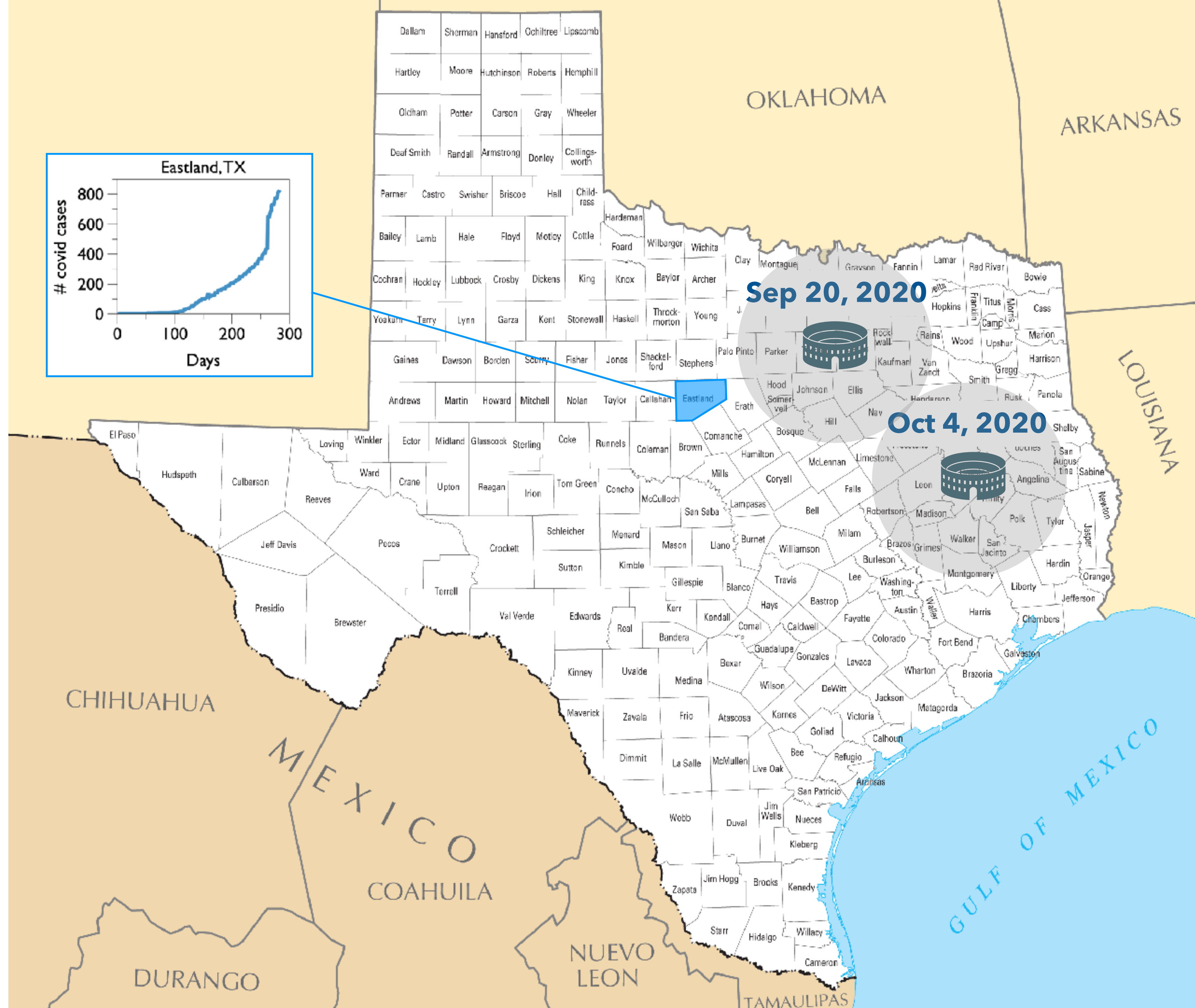


What info do we have?

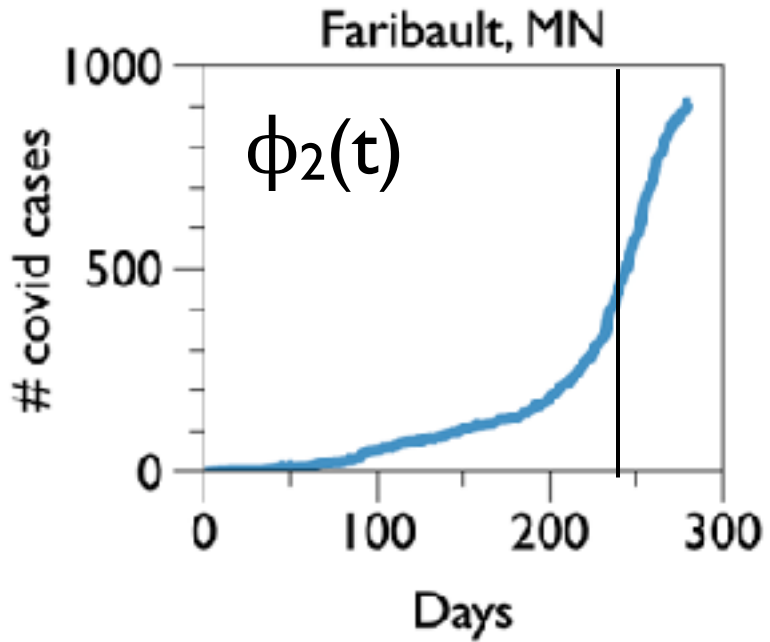
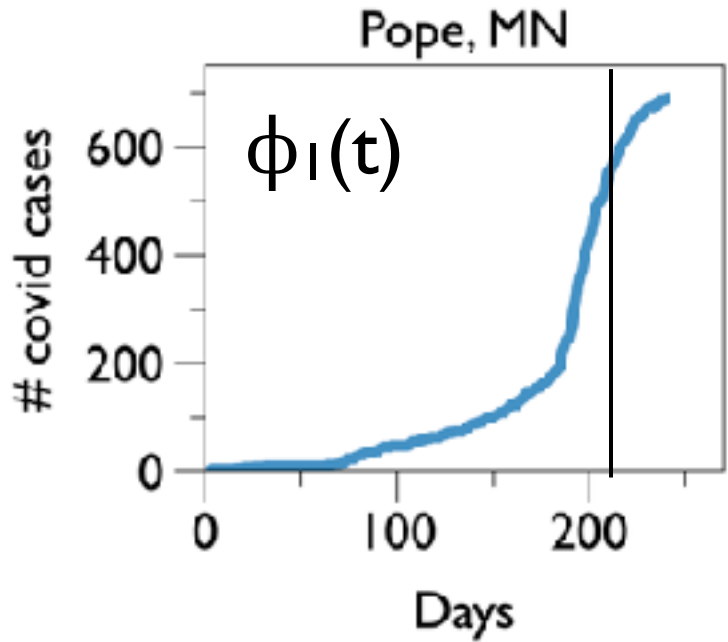
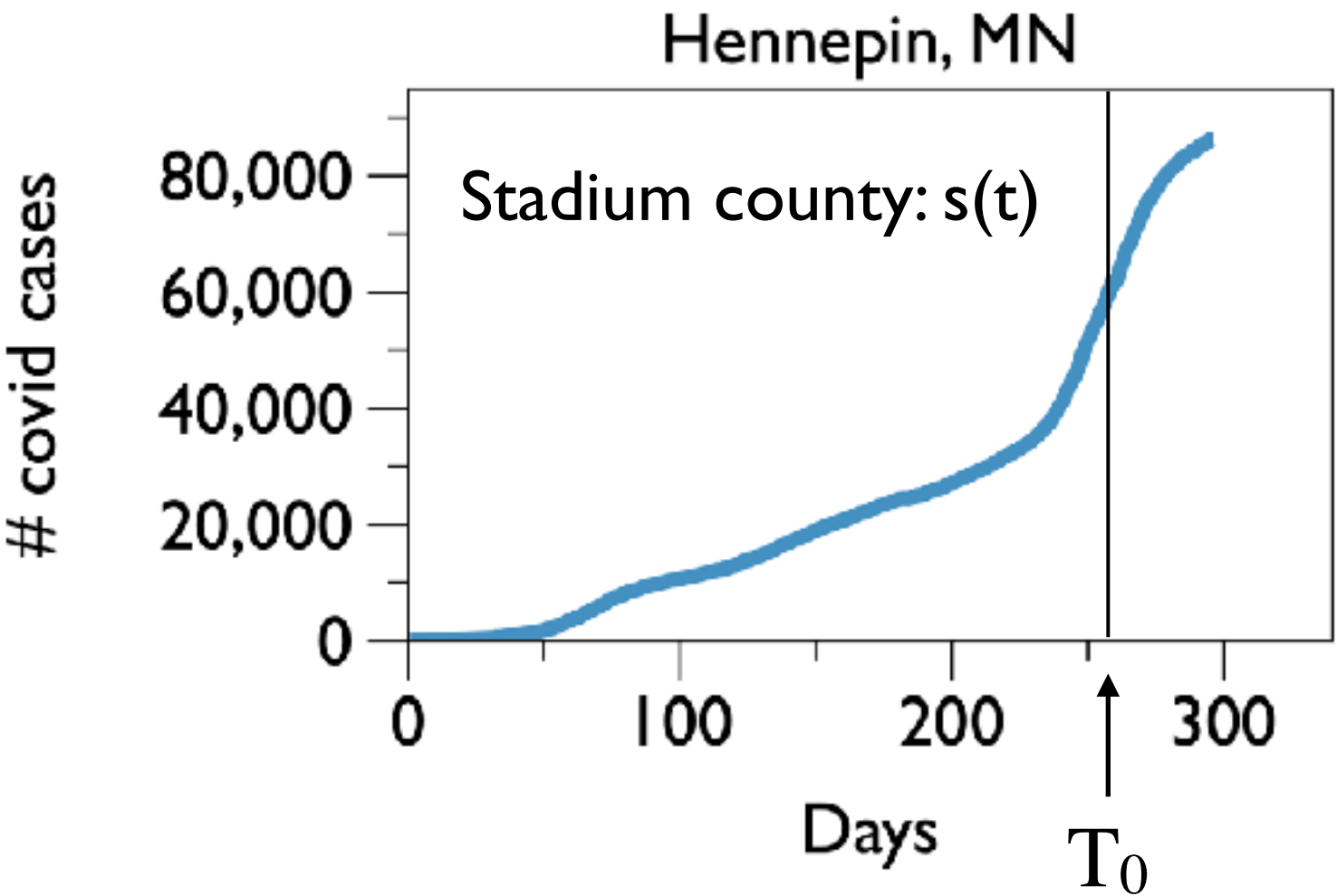
- Location of stadium
- Date that each stadium opened
- # of reported Covid cases daily at the county level (NYTimes Covid GitHub)

Synthetic Control

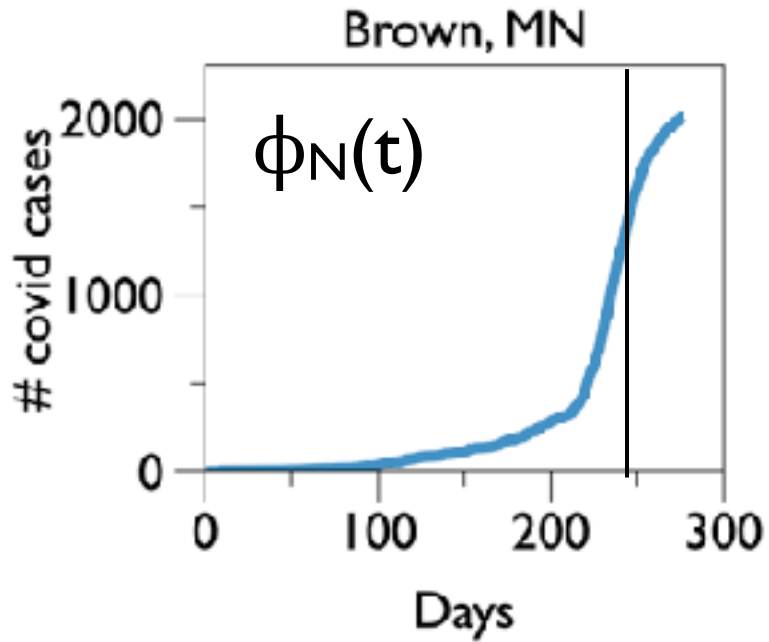
- Use the rest of the counties in Texas to build a synthetic Dallas and a synthetic Houston
- Compare case counts of synthetic counties with real Dallas and Houston to estimate impact of opening stadium



Donor counties: $\phi_i(t)$



...

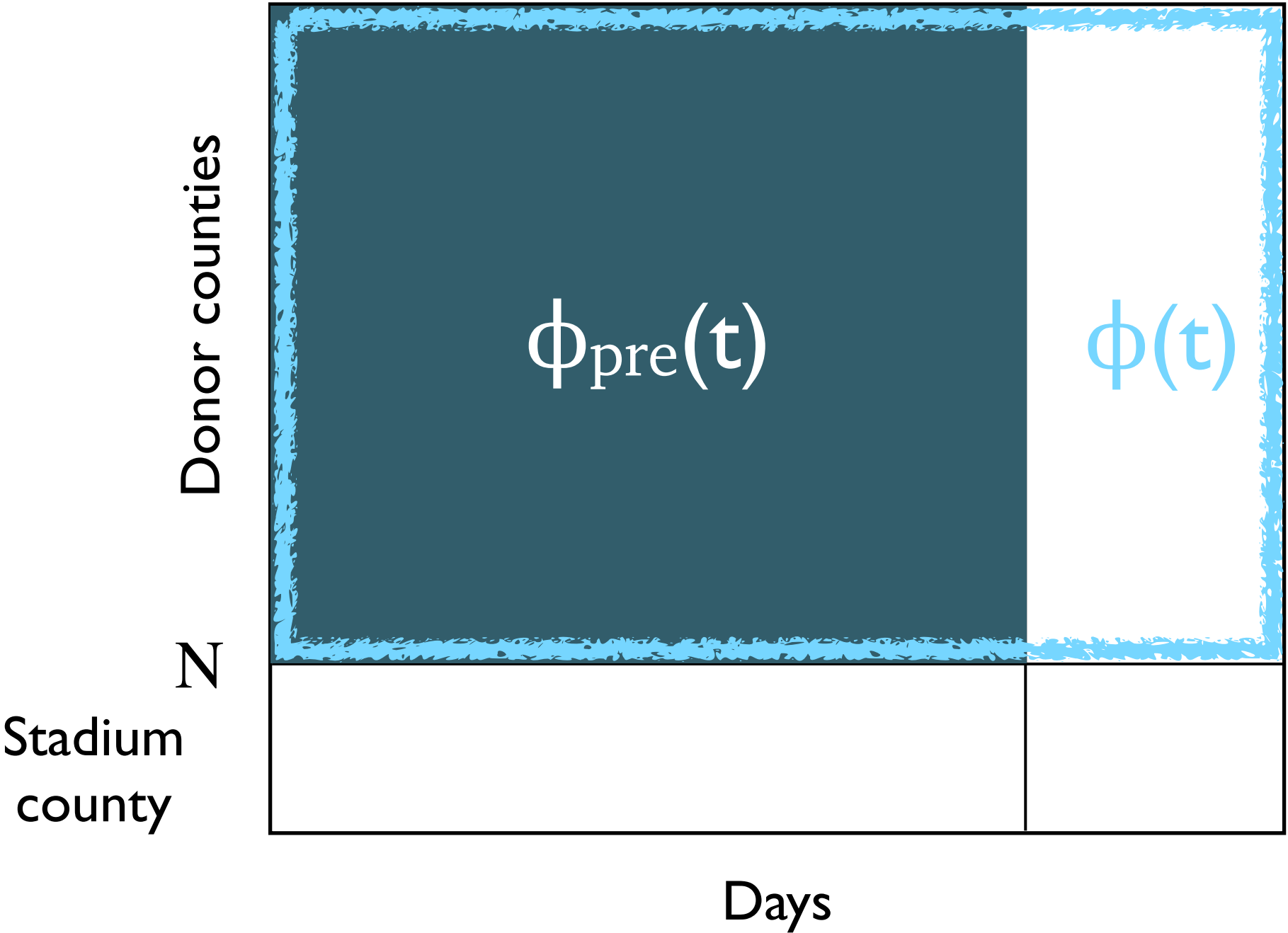


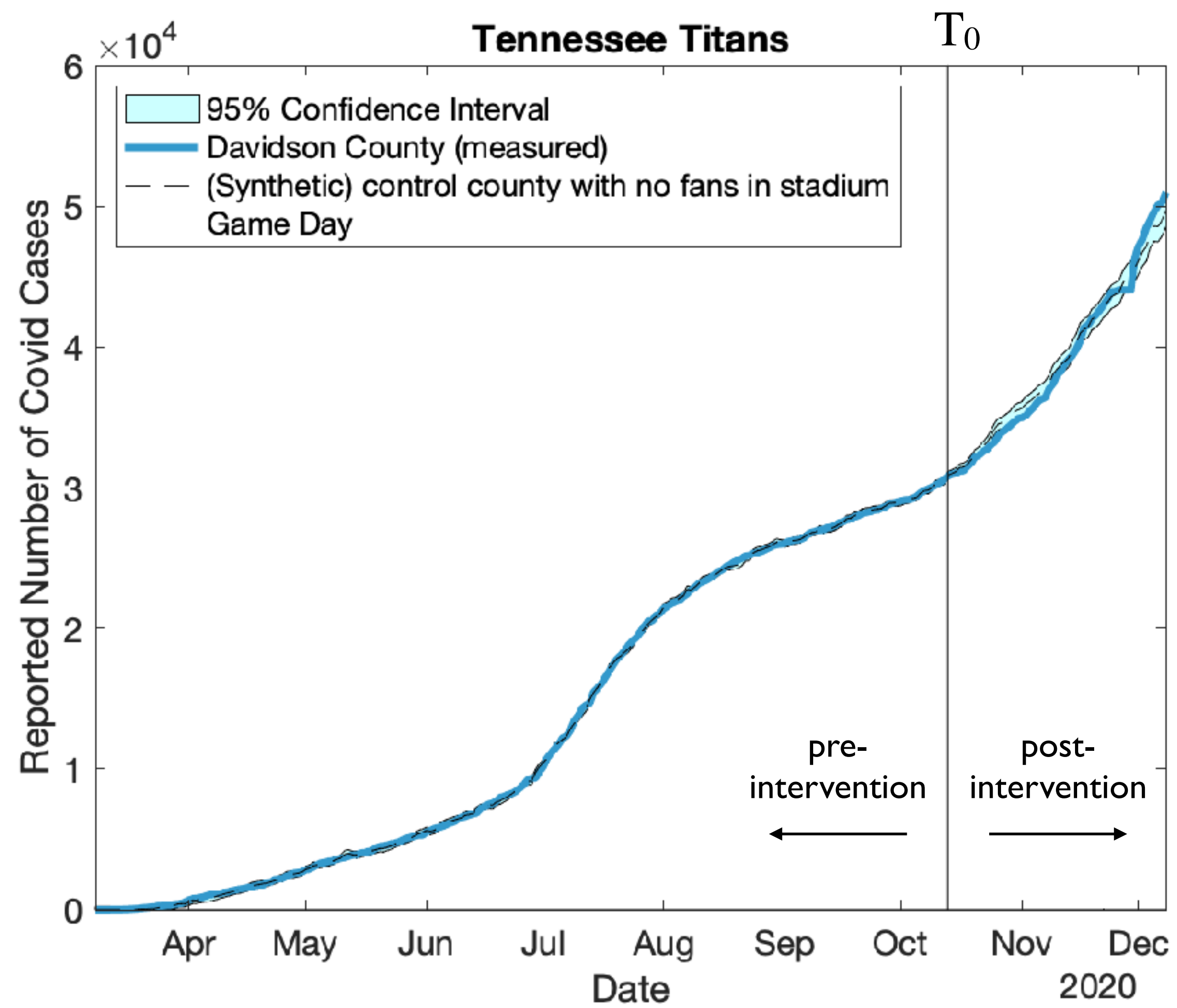
Pre-intervention $\longleftarrow T_0 \longrightarrow$ Post-intervention

$$s(t) \approx \sum_{i=1}^N \alpha_i \phi_i(t) = s_{\text{syn}}(t)$$

Find α_i s.t.:

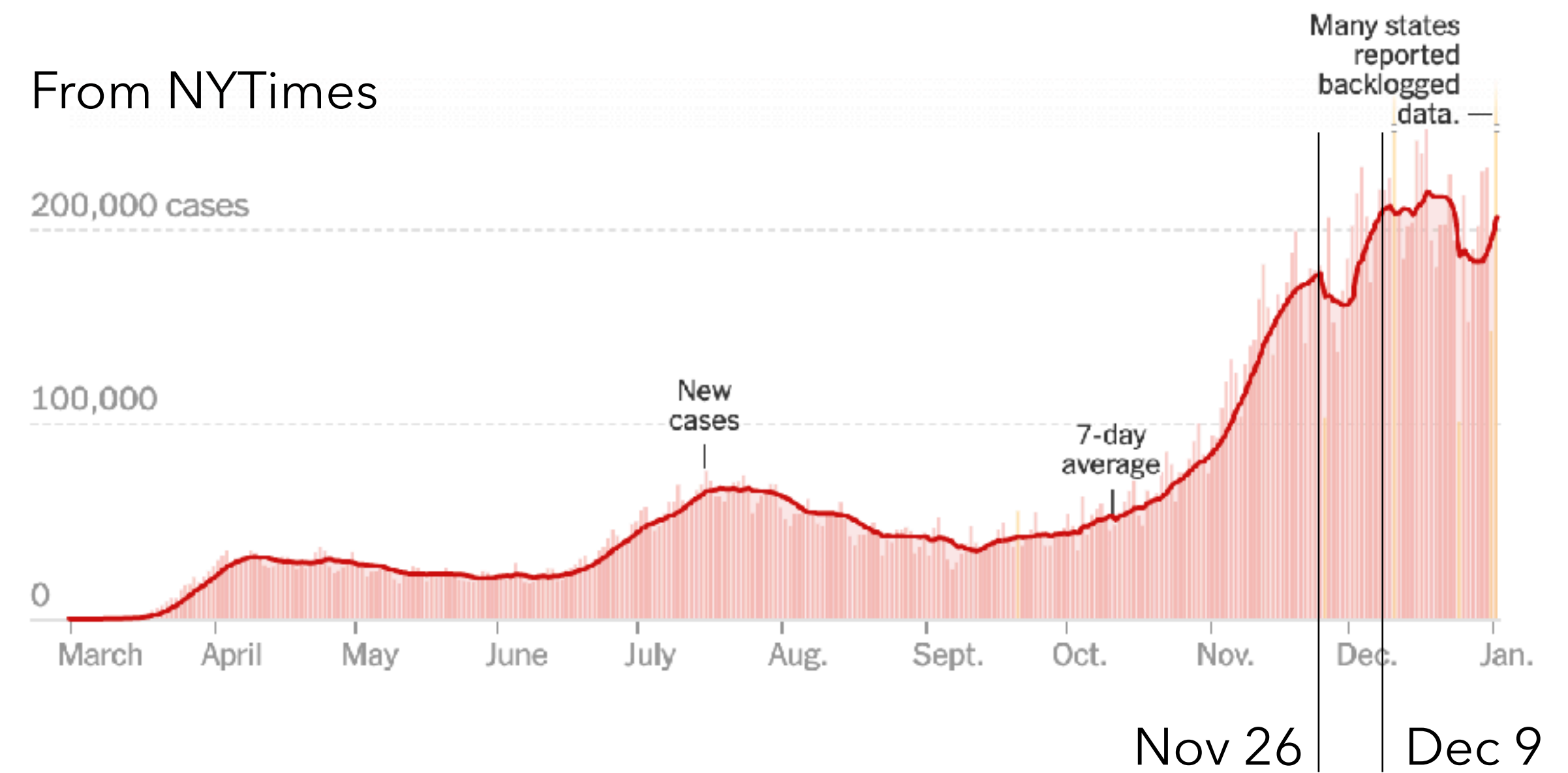
$$\min \int_0^{T_0} \left(\sum_{i=1}^N \alpha_i \phi_{\text{pre},i}(t) - s_{\text{pre}}(t) \right)^2 dt$$

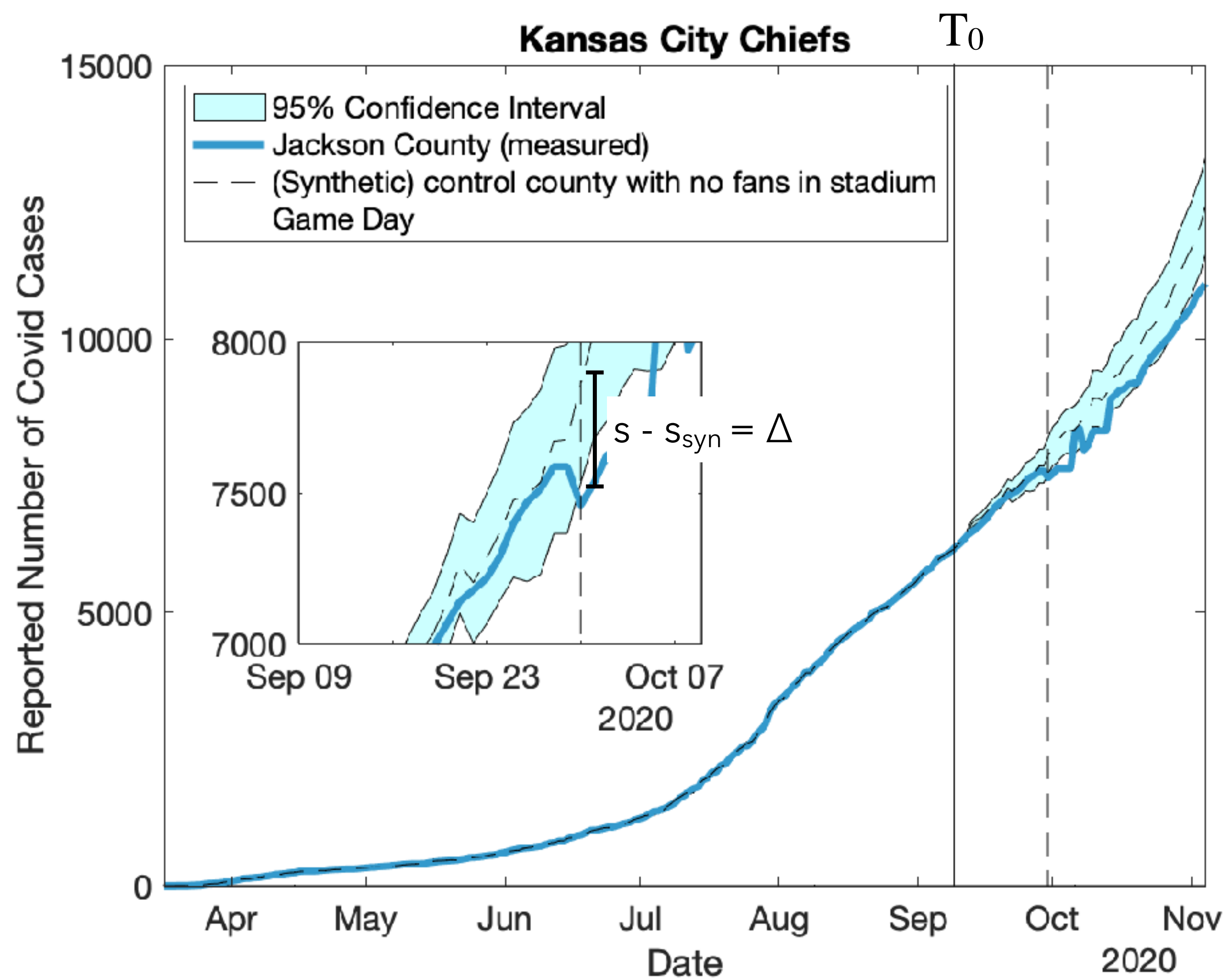




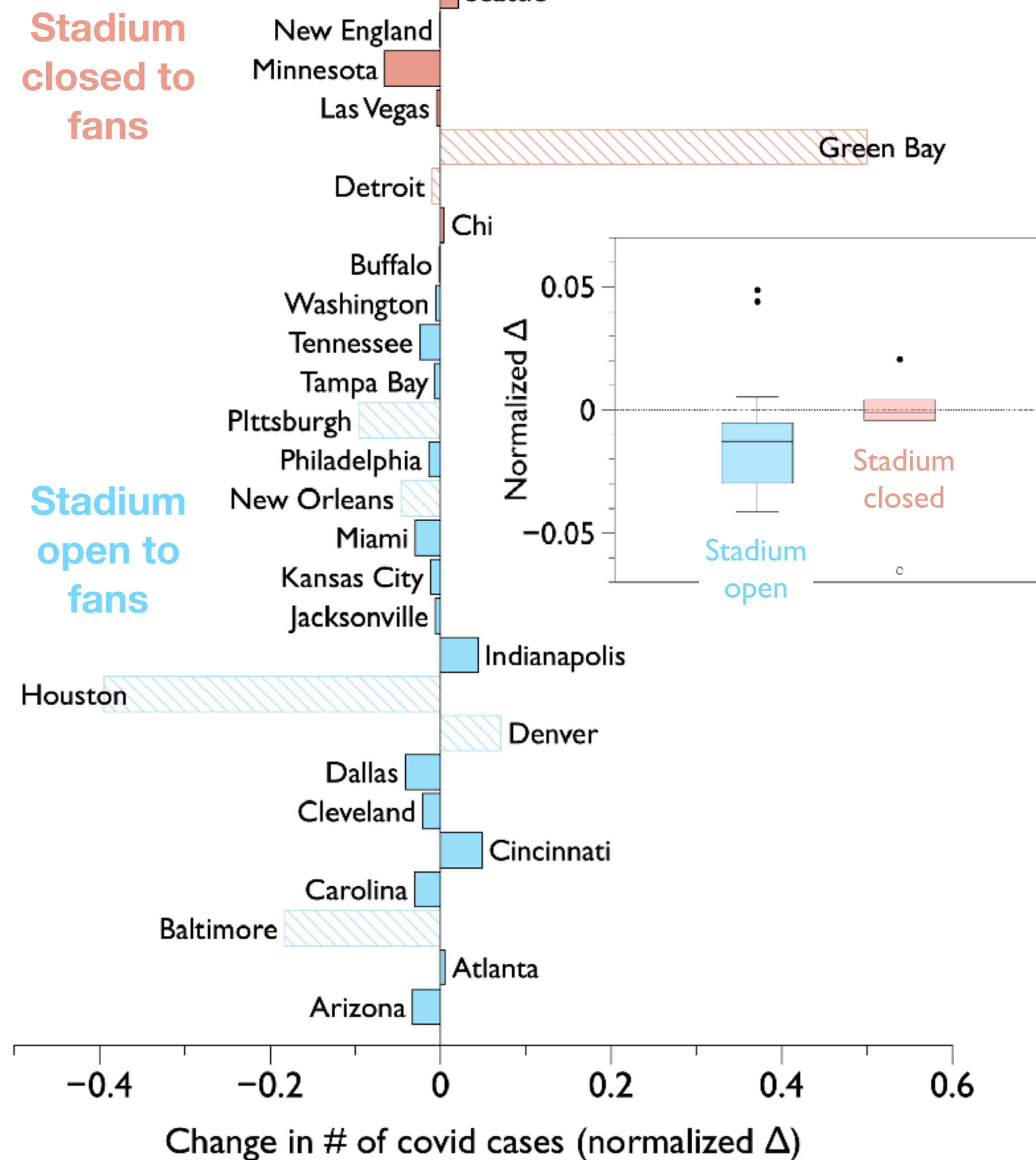
Expect to see impact of opening stadium 2-3 weeks after the event

From NYTimes





Stadium cities better ← → Stadium cities worse

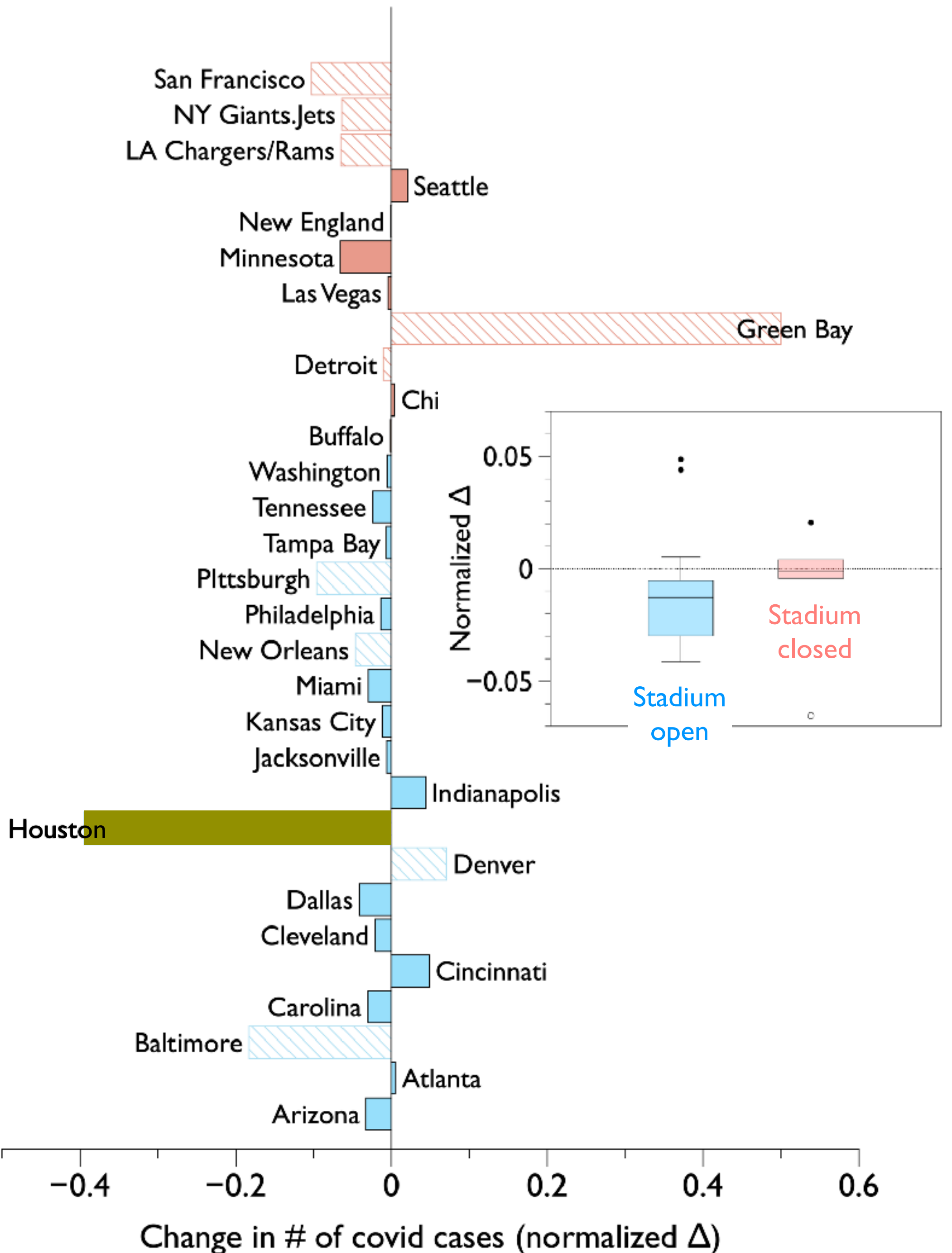
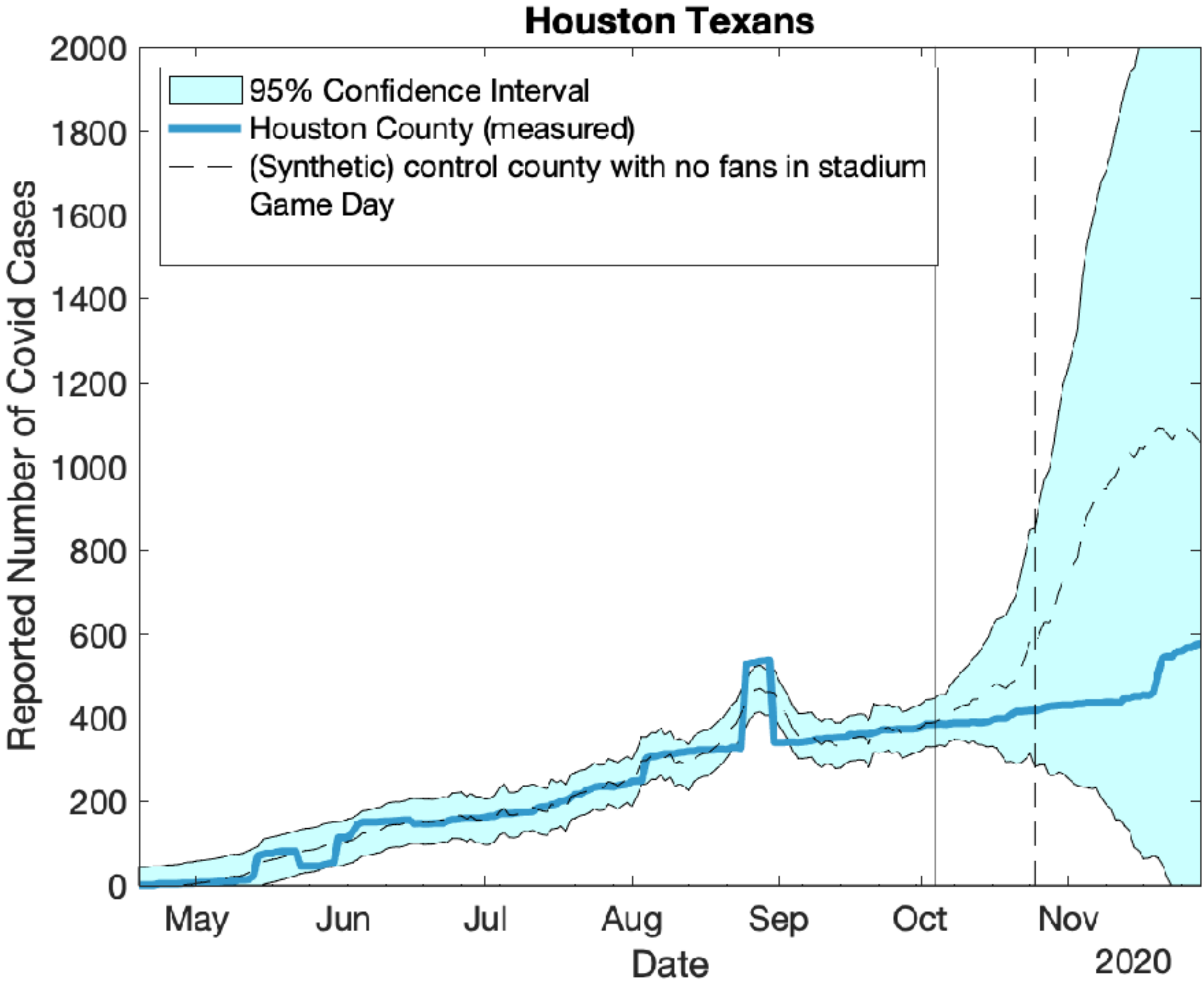




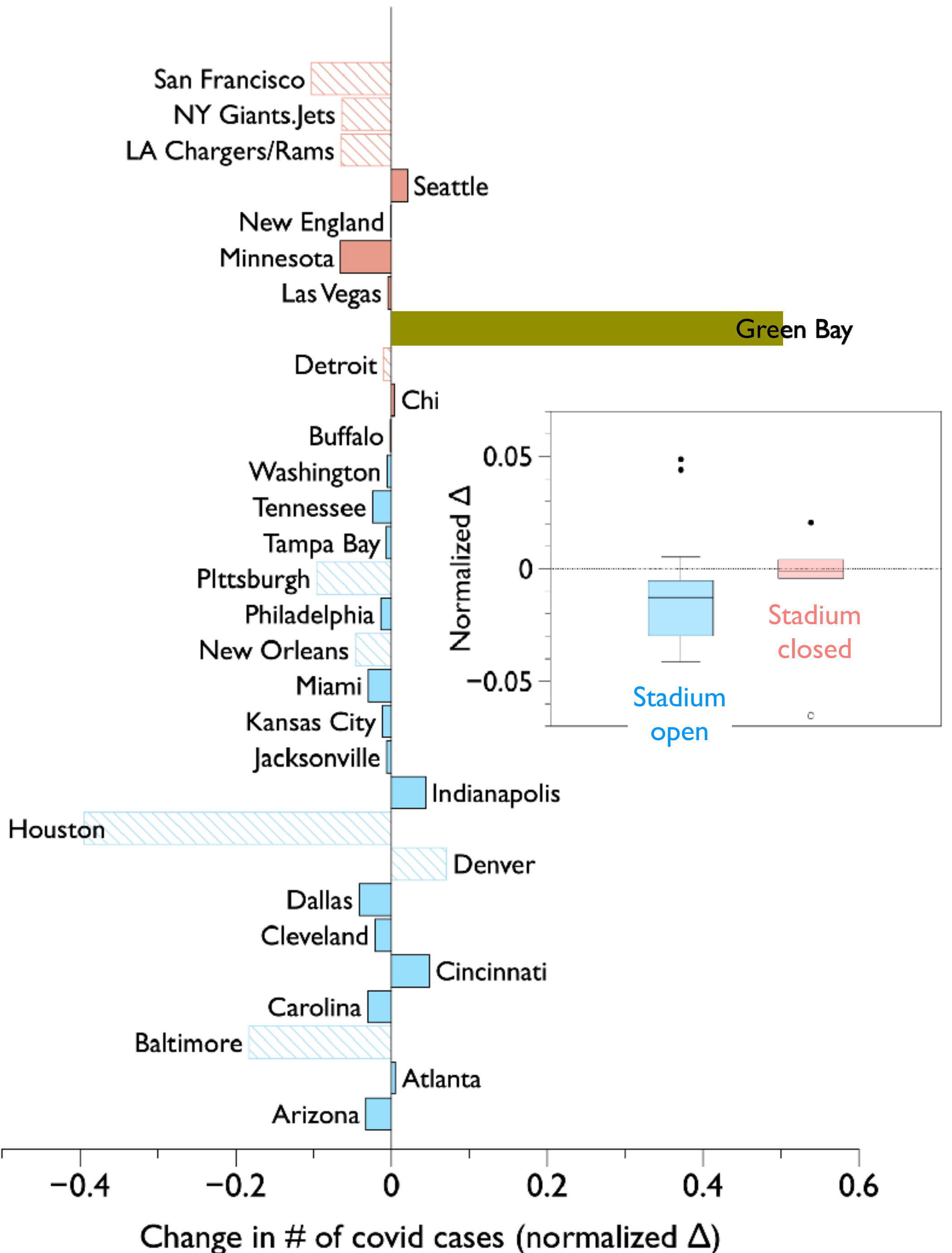
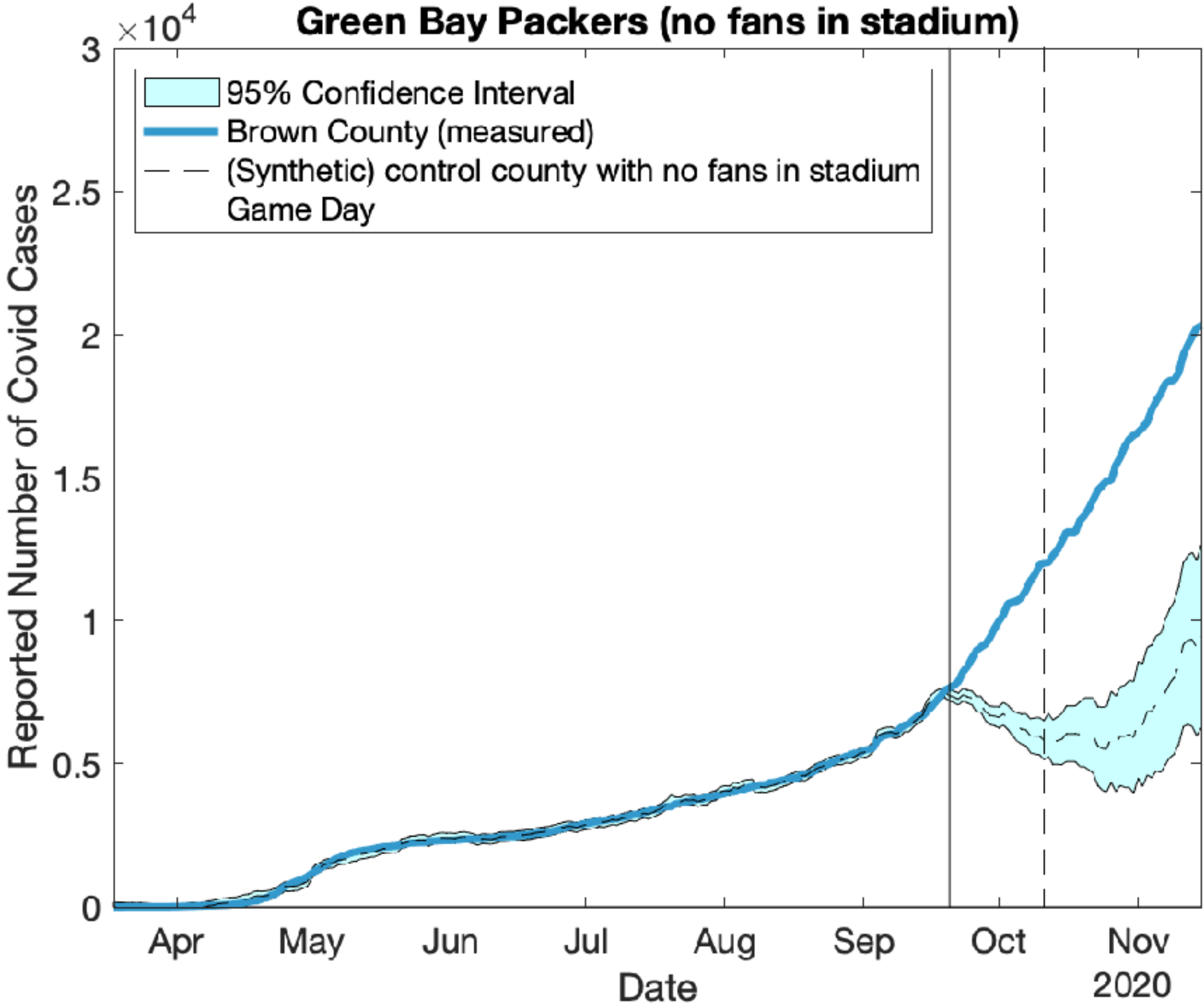
Big Picture: NFL's strategy for opening stadiums to fans has been effective (i.e. there does not appear to be any significant impact on the spread of covid)



What can go wrong?



What can go wrong?





Health

How the Sturgis Motorcycle Rally may have spread coronavirus across the Upper Midwest

Within weeks of the gathering that drew nearly half a million bikers, the Dakotas, along with Wyoming, Minnesota and Montana, were leading the nation in new coronavirus infections per capita

The Washington Post
Democracy Dies in Darkness

The New York Times

A Motorcycle Rally in a Pandemic? ‘We Kind of Knew What Was Going to Happen’

Infectious-disease experts warned about the risk of cramming revelers into the Black Hills of South Dakota. But it was the annual Sturgis rally, and bikers were coming no matter what.

COVID-19 Outbreak Associated with a 10-Day Motorcycle Rally in a Neighboring State — Minnesota, August–September 2020

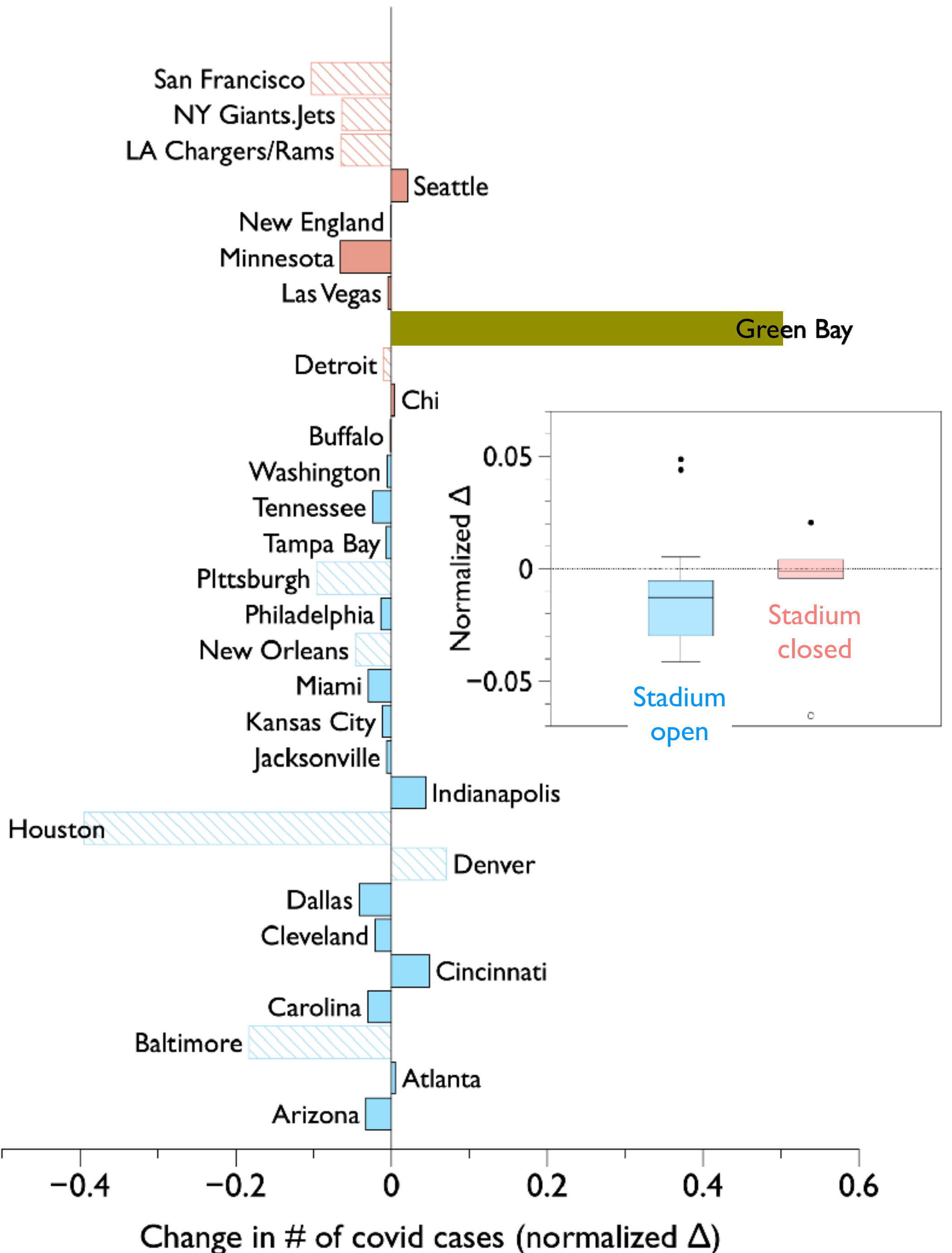
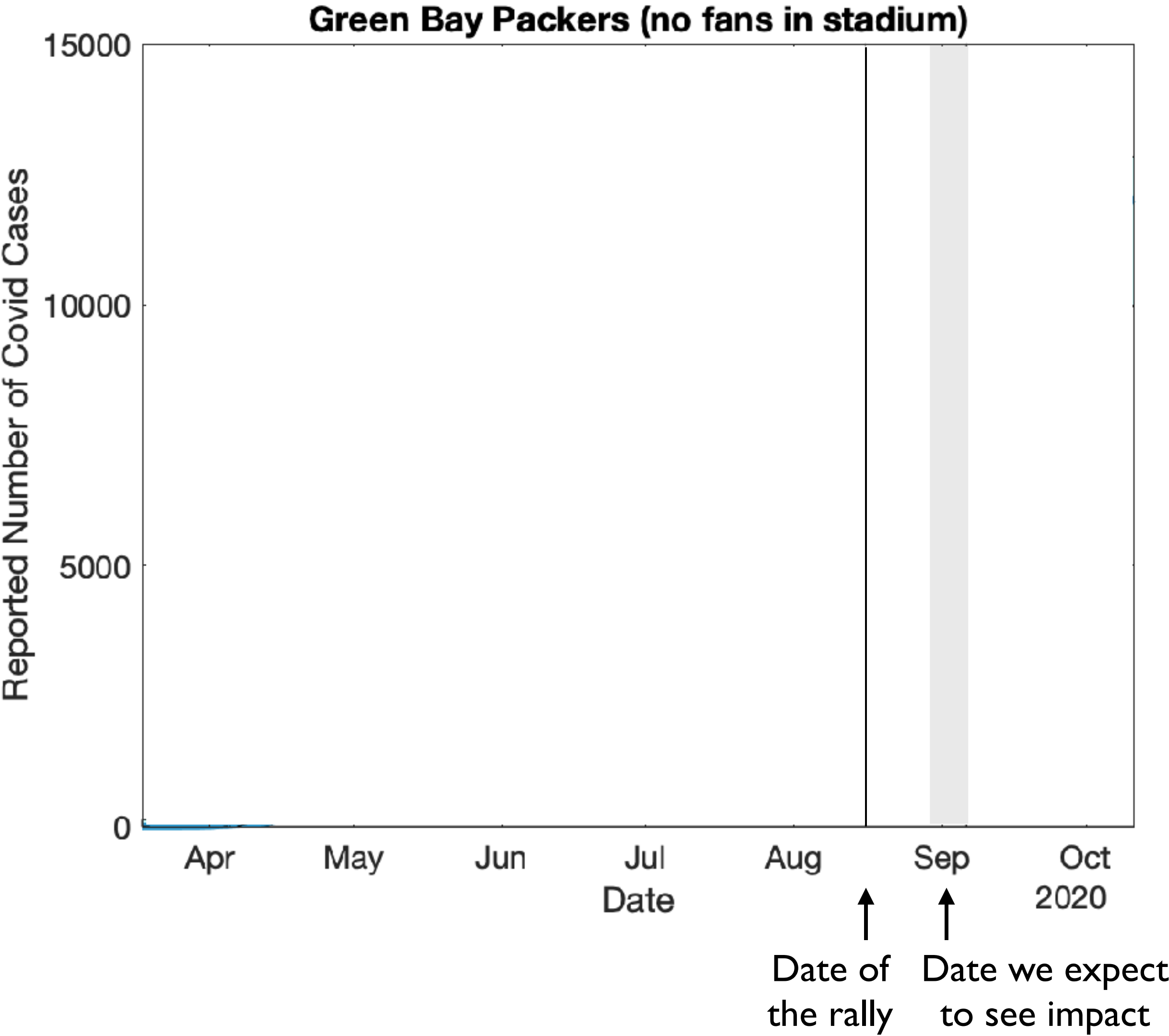
Weekly / November 27, 2020 / 69(47);1771-1776



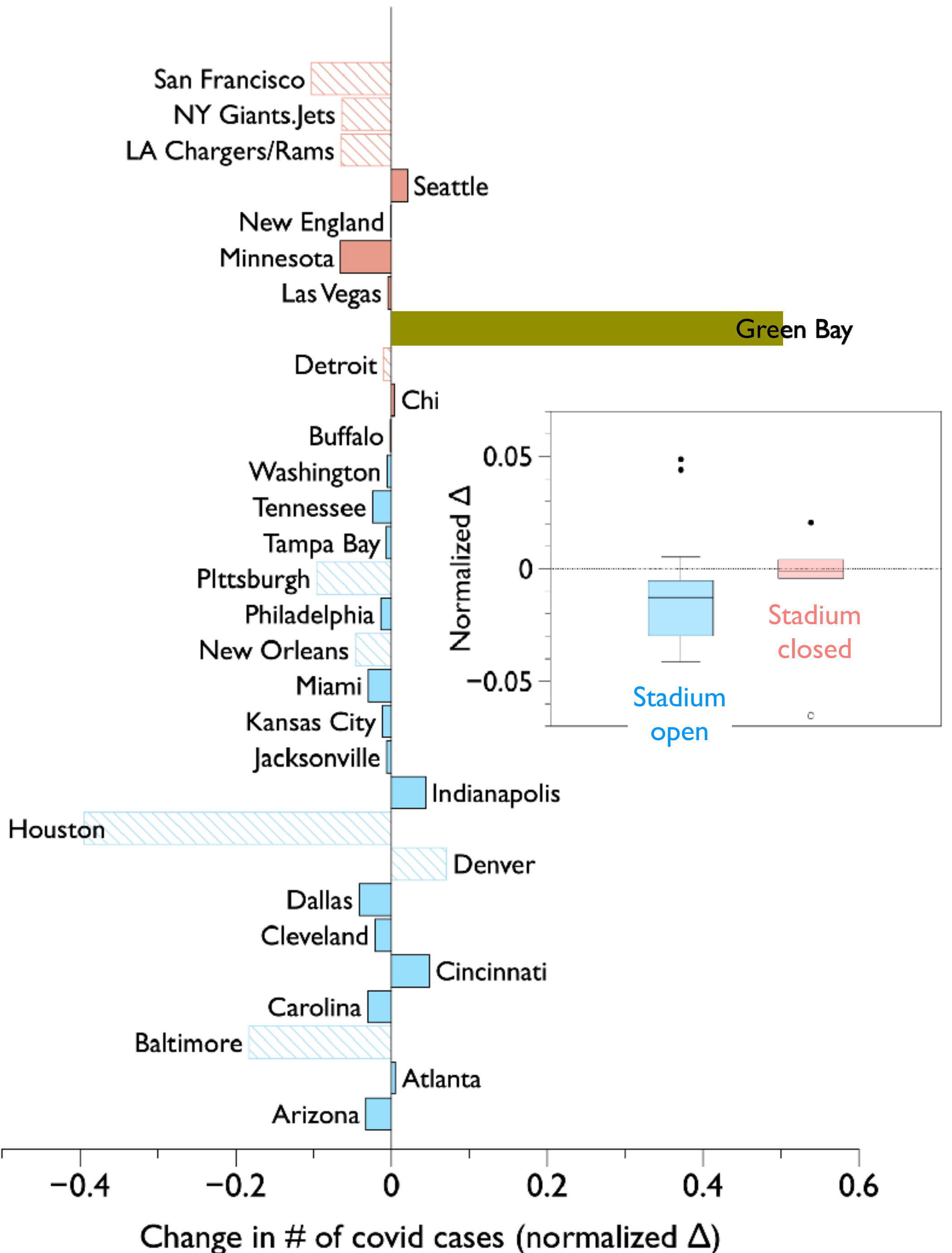
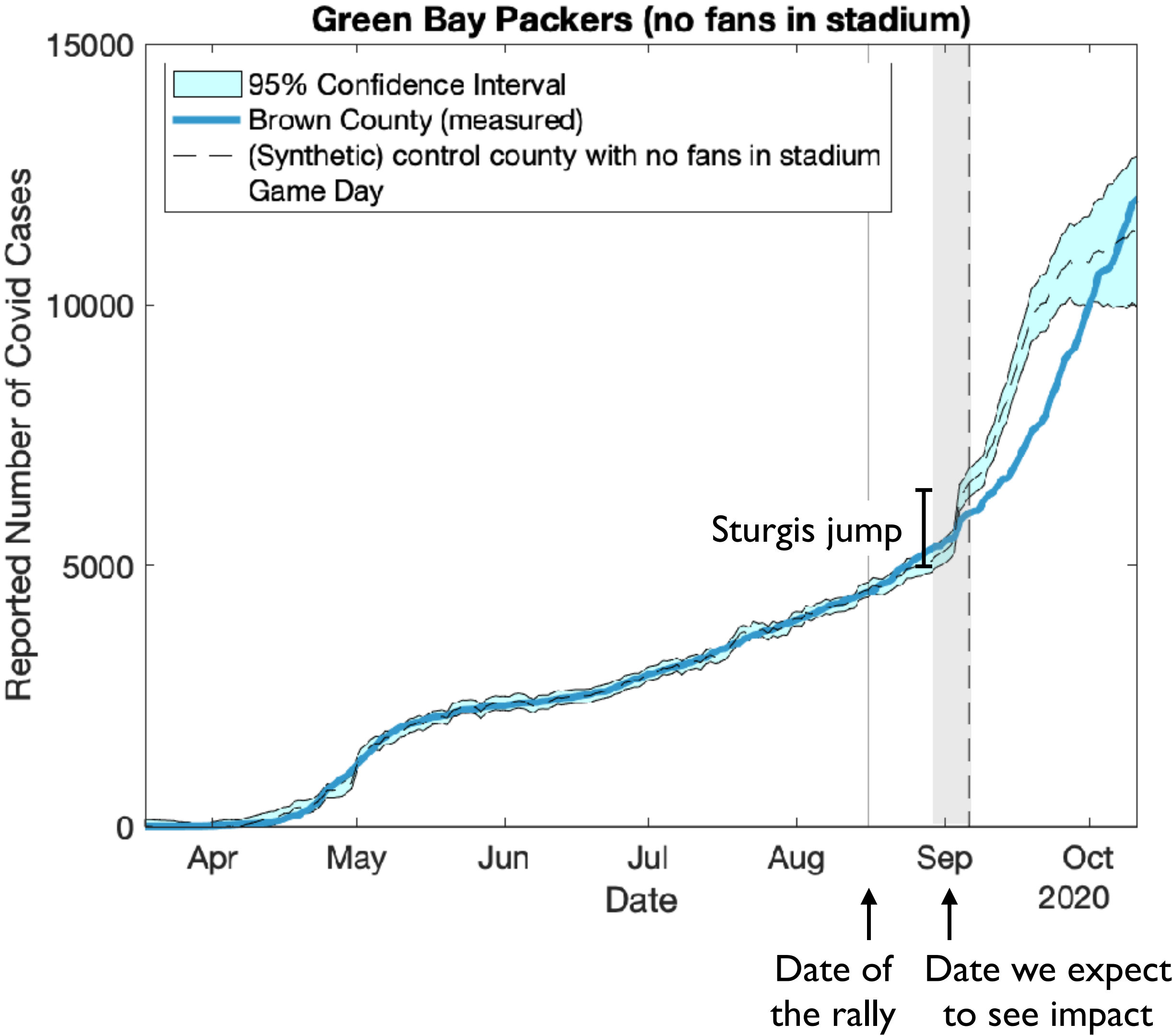
Centers for Disease Control and Prevention
CDC 24/7: Saving Lives, Protecting People™



What can go wrong?



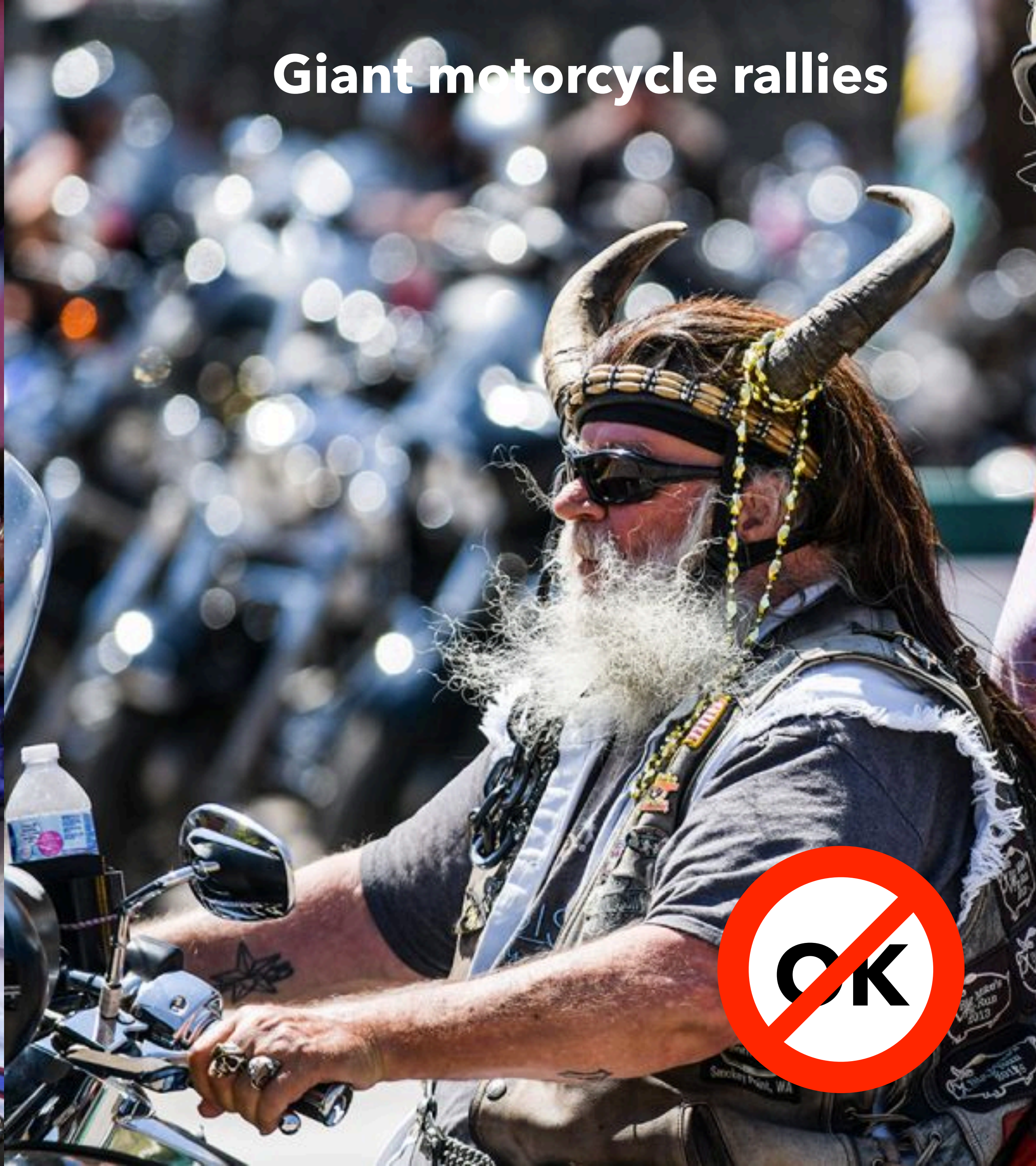
What can go wrong?



Controlled opening of stadiums



Giant motorcycle rallies





Dan Getty



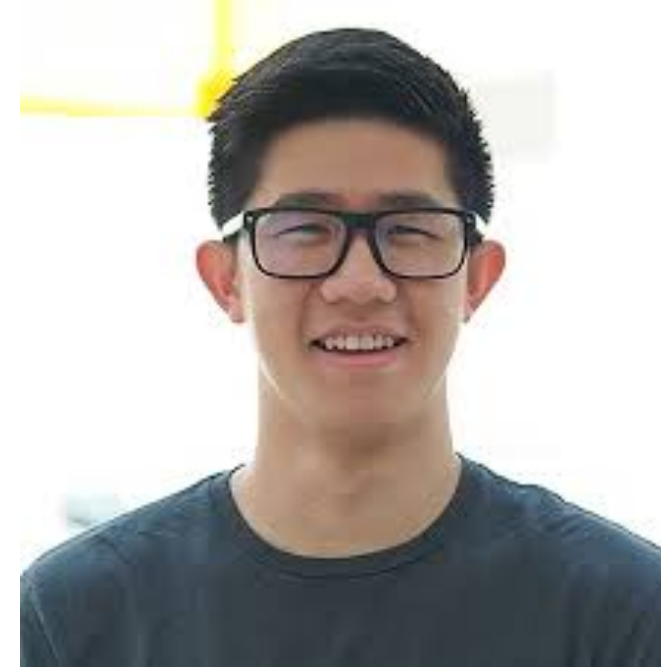
William Li



Masayuki Yano



Charles Gao



Dennis Shen



Bernardo Bueno

